PALMDALE

a place to call home

CITY COUNCIL
SUCCESSOR AGENCY
CITY COUNCIL CHAMBER
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550
TUESDAY, JULY 1, 2025
5:00 PM
www.cityofpalmdaleca.gov

WELCOME

LEGISLATIVE BODY

RICHARD J. LOA, MAYOR
LAURA BETTENCOURT, MAYOR PRO TEM
AUSTIN BISHOP, COUNCILMEMBER
ERIC OHLSEN, COUNCILMEMBER
ANDREA ALARCÓN, COUNCILMEMBER

1. **CALL MEETING TO ORDER**

Note: All City Council memberships are reflected in their City Council titles.

2. **ROLL CALL**
   MAYOR LOA, MAYOR PRO TEM BETTENCOURT, COUNCILMEMBERS BISHOP, OHLSEN, ALARCÓN

3. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**

4. **PRESENTATIONS**

   4.1 Commendation to Robert Tapia in honor of his retirement from the City of Palmdale.

5. **PUBLIC COMMENTS**

The public is allotted to speak a total of three (3) minutes on each section of the agenda i.e. Consent Calendar, Appointment-New Business, and Closed Session. As specified in the Brown Act, a speaker utilizing a translator will receive twice the amount of time specified. Any person who would like to address the Legislative Body on any agendized item may complete a speaker card for the City Clerk and identify the agenda item you would like to discuss.

6. **CONSENT CALENDAR**

All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by Council, in which case the item(s) will be removed from the Consent Calendar and will be considered separately following this portion of the Agenda.

6.1 Waive full reading of the Resolution(s) and/or Ordinance(s) to be considered and voted on at this meeting. (This allows for reading the title only in lieu of reciting the entire text).

6.2 Receive and file the Monthly Investment Activity Reports for May 2025.

SR Monthly Investment Reports May 2025.docx
Rpt. Monthly Investment Reports May 2025.pdf

6.3 Approve the third amendment to agreement with Eide Bailly, LLP. for financial auditing services for an additional $142,347, and a not to exceed amount of $1,159,128, for the remainder of the five-year term, through June 30, 2028.

SR Agrmt No. A-8300 with Eide Bailly LLP.docx
Agrmt No. A-8300 Third Amendment to Agreement with Eide Bailly, LLP.pdf
Agrmt No. A-8300 Second Amendment to Ageement with Eide Bailly, LLP.pdf
Agmt No. A-8300 First Amendment to Eide Bailly, LLP.pdf
Agrmt No. A-8300 Original Agreement with Eide Bailly, LLP.pdf

6.4 Approve agreement with Advantage Mailing LLC for the printing, binding, and bundling of the Palmdale magazine, for a not to exceed amount of $360,000, for a three-year term with the option to extend two additional one-year terms.

SR Agrmt No. A-9272 with Advantage Mailing LLC.docx
Agrmt No. A-9272 with Advantage Mailing LLC.pdf

6.5 Adopt Resolution No. CC 2025-051, a Resolution of the City Council of City of Palmdale recommending City Council modify the Planning Commission's meeting time to 6:00 pm beginning on August 14, 2025.

SR Reso. No. CC 2025-051.docx
Reso. No. CC 2025-051.docx
Reso. No. PC 2025-013.pdf
Reso. No. CC 2025-019.pdf

Reso. No. PC 2025-004.pdf
Reso. No. CC 2009-093.pdf

6.6 Approve Community Workforce Agreement (CWA) by and between the City of Palmdale and Los Angeles/Orange Counties Building and Construction Trades Council and the Signatory Craft Councils and Local Unions.
SR Agrmt No. A-9406 CWA.docx
Agrmt No. A-9406 Successor CWA.pdf

6.7 Award and approve agreement with Deark E&C, Inc. for construction services for PN 887, Marie Kerr Park Best of The West Concession Stand Project for a total not to exceed amount of $560,995 for a term of 45 working days from the date of the Notice to Proceed.
SR Agrmt No. A-9273 with Deark E&C Inc.docx
Agrmt No. A-9273 with Deark E&C, Inc.pdf
Project Photo.pptx

6.8 Approve Requisition with Walsma Oil Company, Inc. for bulk diesel and unleaded fuel in an amount not to exceed $650,000 for Fiscal Year 2025-26.
SR Req. No. 260000 with Walsma Oil Company Inc.docx
Req. No. 260000 with Walsma Oil Company, Inc.pdf

6.9 Approve change orders to increase purchase orders with Wilbur-Ellis Company and SiteOne Landscape Supply for fertilizer and irrigation and water conservation supplies by a combined $334,488 for a revised total amount not to exceed $821,988 for Fiscal Year 2024-25.
SR Approve Purchase Order Increases for Fertilizer and Irrigation Supplies.docx
Purchase Order No. 20250173 with Wilbur-Ellis Company.pdf
Purchase Order No. 20250174 with SiteOne Landscape Supply.pdf
Purchase Order No. 20250175 with SiteOne Landscape Supply.pdf

6.10 Approve the minutes from the previous meeting.
Mins 06 17 2025.pdf

7. APPOINTMENTS

7.1 Approve Planning Commission Reappointments for Districts 2 and 5.
SR PC Reappointments 2025.docx

8. PUBLIC HEARING

8.1 Introduction and adoption of Ordinance No. 1657, an Ordinance of the City Council of the City of Palmdale approving amendments to Chapter 9.40 of the Palmdale Municipal Code (PMC).
SR Ord. No. 1657.docx

Ord. No. 1657.docx

8.2 Adopt Resolution No. CC 2025-029, a Resolution of the City Council of the City of Palmdale approving the Engineer's Report and the continuation of the levy and collection of assessments for Fiscal Year 2025-26 for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02.

SR Reso. No. CC 2025-029.docx
Reso. No. CC 2025-029.docx
Rpt Fiscal Year 2025-26 Engineer's Report Drainage Benefit Assessment Districts.pdf

8.3 Adopt Resolution No. CC 2025-030, a Resolution of the City Council of the City of Palmdale approving the Engineer's Reports and the continuation of the levy and collection of assessments for Fiscal Year 2025-26 for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations.

SR Reso. No. CC 2025-030.docx
Reso. No. CC 2025-030.docx
Rpt Fiscal Year 2025-26 Final Combined Engineer's Report, Landscape Maintenance Assessment District and Annexations.pdf
Rpt Fiscal Year 2025-26 Engineer's Report, Park Maintenance and Recreation Improvement District.pdf
Rpt Fiscal Year 2025-26 Engineer's Report, Streetlight Maintenance Assessment District and Annexations.pdf

8.4 Adopt Resolution No. CC 2025-031, a Resolution of the City Council of the City of Palmdale updating the Sewer Collection Service Charge and ordering the continuation of the charge for the operation and maintenance of the Palmdale Sewer Collection System for Fiscal Year 2025-26.

SR Reso. No. CC 2025-031.docx
Reso. No. CC 2025-031.docx
Rpt Fiscal Year 2025-26 Sewer Collection Service Charge Report.pdf

9. **CITY MANAGER'S REPORT**

10. **LOS ANGELES COUNTY FIRE DEPARTMENT REPORT**

11. **NON-AGENDA PUBLIC COMMENTS**

Now is the time for public participation on items not listed on the agenda. Each speaker is allotted three (3) minutes total.

12. **COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

13. **PRESENTATION BY CITY ATTORNEY**

    13.1 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
    Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (1 case)

14. **ANNOUNCEMENT BY CITY ATTORNEY**

15. **ADJOURN** meeting to July 15, 2025, at 5:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

Americans with Disabilities Act (ADA) Accommodations
In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (661) 267-5151 at least 48 hours prior to the meeting.

If you require oral translation, please contact the City Clerk's Office at (661) 267-5151 at least 48 hours prior to the meeting.

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY INVESTMENT ACTIVITY REPORTS FOR MAY 2025**

RECOMMENDATION

Staff recommend that the City Council:

Receive and file the May 2025 monthly investment activity reports for the City of Palmdale and Successor Agency.

BACKGROUND

Pursuant to Section 16 of the City and Successor Agency Investment Policy, the City Treasurer shall prepare and present monthly reports on investments to the City Manager/Executive Director and the City Council/Directors. The reports shall detail the type of investment, issuer's name, purchase date, maturity date, amount of deposit, and interest rate. This information shall be provided for all City and Successor Agency pooled investments and for Certificates of Participation, Revenue Bonds, Tax Allocation Bonds, Assessment Districts, and Community Facilities District accounts managed by outside Fiscal Agents.

The monthly investment reports provide a synopsis of the City and Successor Agency's investment activity. They provide information on assets, allocations, average maturities, yields, and book valuations. The interest rates presented are the most current rates available as of the date of this report.

The market values presented for pooled City and Successor Agency investments are based on closing prices for the related investment as of the date of this report. This information was obtained from the Wall Street Journal, Bloomberg Financial Markets, Capital Market Finances, or other reliable sources of market prices.

DISCUSSION

Compliance with Investment Policy

For May, the City's invested portfolio totaled $319,860,394, an increase of $97,441 from the previous month and a decrease of $19,296,479 compared to the prior year. The monthly increase was the result of earned interest that occurred during the month.

The par value of Successor Agency's portfolio as of May was $9,702,544. The balance decreased by $25,986 from the prior month due to operating expenses during the month.

All investments meet criteria appropriate to Section 8 of the Investment Policy. The portfolios are based on a combination of various investments, including CDs, Corporate Notes, US Treasury Securities, and Government Agency Paper, each adhering to portfolio percentage limitations.

The Finance Division is the custodian for the City and Successor Agency's investment portfolio and follows the three main principles of both entities' investment policies: 1) Investment in financial instruments that mitigate the risk of monetary losses stemming from market fluctuations; 2) Establish and maintain a portfolio that has sufficient liquidity to allow the City and Successor Agency to meet all anticipated cash requirements; and, 3) Seek out investment instruments that provide a competitive market rate of return.

Liquidity

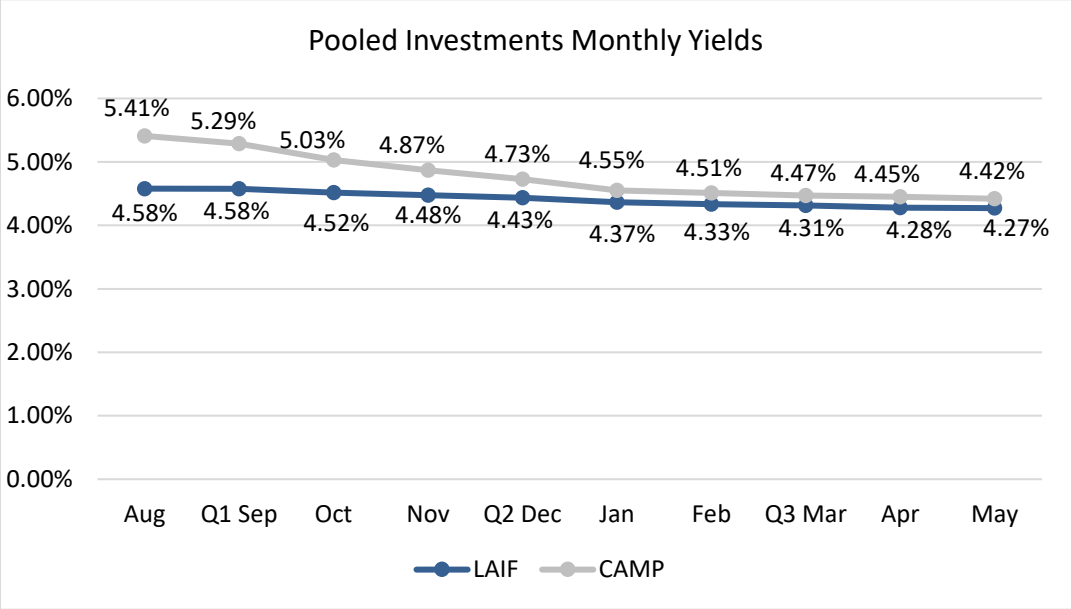
One core approach the Finance Division focuses on is providing liquidity to meet the City and Successor Agency's operational requirements. Thus, the City invests in two pooled funds, Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). These are intended for daily operational activities and can be used during economic uncertainties for ongoing operating and maintenance needs. The pooled funds provide a higher liquidity ratio to ensure the City and Successor Agency meet cash flow requirements.

The City's LAIF balance at the end of May was $111,218,218, no changes from prior month.

The Successor Agency's LAIF balance at the end of May was $3,899,819, no changes from prior month.

The City's CAMP balance at the end of May was $52,756,073 compared to $52,558,460 in April. The increase is due to interest earned during the month.

The interest rates presented are the most current rates available as of the date of this report. As of May 31, 2025, the interest rates for LAIF and CAMP investments were at 4.272 percent and 4.45 percent, respectively. By comparison, the LAIF and CAMP interest rates at the end of April were 4.281 percent and 4.45 percent. This time last year, LAIF and CAMP rates were at 4.332 percent and 5.43, respectively.



The chart above shows the LAIF and CAMP average monthly yields from August 2024 through May 2025. The difference between the two funds' performance is primarily due to their varying pool characteristics. CAMP's portfolio composition is more prone to market volatility, resulting in performance variations.

Diversity

The Finance Division aims to diversify the investment portfolios to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

The City and Successor Agency's investment portfolios remain strongly diversified. The monthly reports include all investments held by both entities and current book values as of May 31, 2025.

The City and Successor Agency are expected to have sufficient funds to meet their expenditure requirements for the next six months. The Finance Division will continue to monitor current economic conditions and the impact on interest rates.

Attached are summaries of the investments in the City and Successor Agency's books as of May 31, 2025.

FISCAL IMPACT

$0; There is no fiscal impact associated with the recommended actions for this report.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

B. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Janelle Samson, Director of Operations
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Rpt. Monthly Investment Reports May 2025

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

CITY OF PALMDALE INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
U.S. TREASURY SECURITIES				Yield			
03-19-21	12-31-25	CITY	9128285T3 U.S. Treasury Note	2.63	3,000,000.00	3,260,634.36	2,902,140.00
05-11-21	02-28-26	CITY	9128286F2 U.S. Treasury Note	0.66	3,000,000.00	3,261,331.50	2,888,310.00
07-12-21	12-31-25	CITY	9128285T3 U.S. Treasury Note	2.63	5,000,000.00	5,451,958.35	4,836,900.00
03-08-23	03-31-26	CITY	9128286L9 U.S. Treasury Note	2.25	3,200,000.00	3,029,330.80	3,064,000.00
01-03-24	12-31-26	CITY	912828YX2 U.S. Treasury Note	0.04	5,000,000.00	4,696,880.23	4,666,600.00
01-03-24	06-30-27	CITY	91282CEW7 U.S. Treasury Note	0.04	5,000,000.00	4,897,630.28	4,825,200.00
01-03-24	09-30-27	CITY	91282CFM8 U.S. Treasury Note	0.04	2,500,000.00	2,523,771.66	2,472,450.00
01-08-24	02-15-26	CITY	91282CGL9 U.S. Treasury Note	0.04	5,000,000.00	4,987,205.23	4,932,250.00
01-08-24	06-15-26	CITY	91282CHH7 U.S. Treasury Note	0.04	5,000,000.00	5,001,760.94	4,942,800.00
12-18-24	09-30-29	CITY	91282CFL0 U.S. Treasury Note	0.39	5,000,000.00	4,977,094.45	4,977,094.45
12-18-24	10-31-29	CITY	91282CFT3 U.S. Treasury Note	0.40	5,000,000.00	4,988,321.47	4,988,321.47
12-18-24	11-30-29	CITY	91282CFY2 U.S. Treasury Note	0.39	5,000,000.00	4,942,086.29	4,942,086.29
01-02-25	12-31-29	CITY	91282CGB1 U.S. Treasury Note	0.39	3,000,000.00	2,949,835.02	2,949,192.75
			TOTAL U.S. TREASURY SECURITIES		$ 54,700,000.00	$ 54,967,840.58	$ 53,387,344.96
GOVERNMENT AGENCY PAPER							
06-10-20	06-16-25	CITY	3133ELK37 Federal Farm Credit	0.78	5,000,000.00	5,000,000.00	4,781,500.00
05-11-21	09-04-25	CITY	3133EJYM5 Federal Farm Credit	0.59	1,000,000.00	1,103,275.25	976,880.00
05-11-21	09-04-25	CITY	3133EJYM5 Federal Farm Credit	0.57	2,000,000.00	2,208,460.00	1,953,760.00
06-04-21	11-07-25	CITY	3135G06G3 Fannie Mae	0.55	3,000,000.00	2,993,675.25	2,826,750.00
06-30-21	12-30-25	CITY	3130AMRQ7 Federal Home Loan Note	0.88	3,000,000.00	3,000,000.00	2,821,947.30
07-29-21	04-29-26	CITY	3130AN5C0 Federal Home Loan Note	1.05	4,000,000.00	4,010,455.13	3,734,320.00
12-17-21	11-12-25	CITY	3134GXBM5 Federal Home Loan Note	1.15	1,150,000.00	1,125,785.50	1,082,265.00
12-17-21	06-23-25	CITY	3133ENHW3 Federal Farm Credit	1.17	10,000,000.00	10,000,000.00	9,595,310.20
12-20-21	07-30-25	CITY	3136G4ZP1 Fannie Mae	0.65	3,500,000.00	3,444,175.00	3,339,331.94
12-20-21	09-24-25	CITY	3134GWUG9 Freddie Mac	0.57	10,000,000.00	9,806,600.00	9,459,892.40
12-21-21	12-22-26	CITY	3133ENJC5 Federal Farm Credit	1.29	5,000,000.00	5,000,000.00	4,589,481.35
06-29-22	08-12-25	CITY	3133EL3P7 Federal Farm Credit	3.34	1,810,000.00	1,660,349.20	1,722,111.58
06-24-22	02-26-27	CITY	3130AL5A8 Federal Home Loan Note	3.33	5,000,000.00	4,479,000.00	4,533,218.00
08-17-22	10-27-26	CITY	3134GW4C7 Freddie Mac	0.80	5,000,000.00	4,539,500.00	4,562,202.10
01-06-23	02-25-27	CITY	3130AQRH8 Federal Home Loan Note	4.38	5,000,000.00	4,590,638.89	4,670,265.65
01-06-23	04-19-27	CITY	3130ARHJ3 Federal Home Loan Note	4.38	5,000,000.00	4,801,354.86	4,801,570.80
05-18-23	05-18-27	CITY	3133EPKC8 Federal Farm Credit	5.39	5,000,000.00	5,000,000.00	4,991,602.80
06-05-23	05-30-28	CITY	3133EPLE3 Federal Farm Credit	4.67	2,815,000.00	2,822,746.50	2,790,565.80
05-03-24	05-01-28	CITY	3133ERCX7 Federal Farm Credit	5.17	5,000,000.00	5,000,000.00	5,000,777.50
08-08-24	08-14-29	CITY	3134HADY6 Freddie Mac Domestic	4.00	4,000,000.00	3,946,000.00	3,946,000.00
12-03-24	12-04-29	CITY	3130B3XP3 Federal Home Loan	4.50	1,000,000.00	1,000,000.00	1,000,000.00
12-04-24	12-02-27	CITY	3133ERE23 Federal Farm Credit	4.32	1,000,000.00	1,000,000.00	1,000,000.00
01-27-25	07-27-27	CITY	3130B4RC7 Federal Home Loan Bank	4.50	3,000,000.00	3,000,000.00	3,000,000.00
01-28-25	07-21-27	CITY	3130B4QA27 Federal Home Loan Bank	4.55	3,000,000.00	3,000,000.00	3,000,000.00
			TOTAL GOVERNMENT AGENCY PAPER		$ 94,275,000.00	$ 92,532,015.58	$ 90,179,752.42

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
CERTIFICATES OF DEPOSIT							
01-04-24	06-15-26	CITY	05580A4Y7 BMW Bank of NA	4.03	240,000.00	243,434.40	238,848.00
01-04-24	11-30-27	CITY	46656MVH1 JPMorgan Chase Bank	4.76	240,000.00	242,022.91	240,415.20
01-04-24	12-28-28	CITY	09582YAV4 Blue Ridge Bank	4.09	240,000.00	240,948.00	234,677.60
06-11-24	06-12-28	CITY	59541KCV7 Mid-Missouri Bank	5.15	245,000.00	245,034.57	243,510.50
06-11-24	06-11-26	CITY	38150VUZ0 Goldman Sachs Bank	5.05	245,000.00	245,033.90	245,615.57
06-13-24	06-13-29	CITY	89235MPP0 Toyota Financial SGS	4.65	245,000.00	245,000.00	246,281.17
06-14-24	06-15-26	CITY	34520LBC6 Forbright Bank	5.05	245,000.00	245,000.00	245,699.42
06-14-24	06-14-28	CITY	307811KA6 Farmers & Merchs Bank	5.00	245,000.00	245,000.00	242,169.22
06-14-24	06-14-29	CITY	69503PAB7 Pacific Valley Bank	5.20	245,000.00	245,000.00	243,313.18
06-17-24	06-17-26	CITY	8562855V9 State Bank of India	5.10	245,000.00	245,000.00	245,875.30
06-18-24	06-18-29	CITY	229083AA8 Evangeline Bank & Trust	5.30	245,000.00	245,000.00	245,000.16
06-20-24	06-22-26	CITY	06051XER9 Bank of America NA	5.05	245,000.00	245,000.00	245,737.44
06-21-24	06-22-26	CITY	35634MAE1 Freedom Bank/Maywood NJ	5.05	245,000.00	245,000.00	245,737.72
06-25-24	06-25-29	CITY	09776DAG9 BOM Bank	5.35	245,000.00	245,000.00	245,000.11
			TOTAL CERTIFICATES OF DEPOSIT		$ 3,415,000.00	$ 3,421,473.78	$ 3,407,880.59
05-17-23	03-01-26	CITY	30231GAT9 Exxon Mobile Corporation	3.04	1,000,000.00	982,084.11	967,125.82
05-17-23	03-02-26	CITY	194162AQ6 Colgate-Palmolive	4.80	1,000,000.00	1,035,553.33	997,703.43
05-17-23	01-26-26	CITY	742718FY0 Procter & Gamble	4.10	1,000,000.00	1,018,471.67	987,387.46
01-04-24	07-27-26	CITY	61761J3R8 Morgan Stanley	4.70	500,000.00	481,185.25	478,020.00
01-04-24	06-15-26	CITY	46625HRS1 JPMorgan Chase & CO	4.52	500,000.00	484,840.25	481,325.00
01-04-24	03-02-28	CITY	718172CE7 Philip Morris Intl Inc	4.49	500,000.00	474,395.25	466,815.00
01-04-24	04-01-27	CITY	808513BW4 Charles Schaw Corp	4.68	500,000.00	479,390.25	477,190.00
01-09-24	06-02-26	CITY	11271LAA0 Brookfield Fin Inc	5.13	500,000.00	490,115.25	489,610.00
01-09-24	11-28-28	CITY	05565QDH8 BP Capital Markets PLC	4.48	500,000.00	483,460.25	475,490.00
01-09-24	01-28-26	CITY	06406RAQ0 Bank OF NY Mellon Corp	4.52	500,000.00	463,355.25	466,490.00
01-09-24	07-09-27	CITY	22550L2K6 Crdit Suisse New York	4.92	500,000.00	500,910.25	495,950.00
01-09-24	08-15-28	CITY	797440CE2 San Diego G & E	4.49	500,000.00	509,340.25	497,940.00
01-09-24	07-01-27	CITY	75973QAA5 Reneissance Financial	5.01	500,000.00	475,470.25	473,980.00
01-09-24	01-27-26	CITY	780082AD5 Royal Bank of Canada	4.97	500,000.00	496,930.25	492,915.00
08-27-24	02-01-29	CITY	06406RBN6 Bank of NY Mellon Corp	4.20	656,000.00	663,116.29	663,116.29
			TOTAL CORPORATE BONDS		$9,156,000	$9,038,618	$ 8,911,058.00
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
09-01-84	n/a	CITY	98-19-620	0.78	57,004,603.30	57,004,603.30	57,004,603.30
9-19-2024	n/a	PFA	40-19-078		36,500,000.00	36,500,000.00	39,313,382.47
9-28-2021	n/a	ARPA	19-19-004	0.78	14,900,232.58	14,900,232.58	14,900,232.58
			TOTAL LAIF ACCOUNTS		$ 108,404,835.88	$ 108,404,835.88	$ 111,218,218.35
CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM							
6080-01	n/a	CITY	6080-01	0.30	52,756,073.10	52,756,073.10	52,756,073.10
			TOTAL CAMP ACCOUNTS		$ 52,756,073.10	$ 52,756,073.10	$ 52,756,073.10
UBS FINANCIAL SERVICES							
n/a	n/a	CITY		0.00	66.08	66.08	66.08
			TOTAL UBS FINANCIAL SERVICES ACCOUNTS		$ 66.08	$ 66.08	$ 66.08
			TOTAL CITY INVESTMENTS		$ 322,706,975.06	$ 321,120,923.15	$ 319,860,393.50

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
			LIBRARY INVESTMENTS				
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
11-20-84	n/a	LIBRARY	16-19-012	0.78			13,926.84
			TOTAL LIBRARY INVESTMENTS				$ 13,926.84
			FISCAL AGENT CASH				
SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
05-10-95	n/a	BOND	95421220	0.35			120.21
05-10-95	n/a	IMPROVEMENT	95421222	0.10			174,701.11
			TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1				$ 174,821.32
BOND PROCEEDS							
RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
04-06-95	n/a	RESERVE-SEN	95420880	n/a			13.86
04-06-95	n/a	IMPV-ACQUI	95420884	0.01			2,907,907.64
04-06-95	n/a	BOND	95420887	0.15			0.15
			TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1				$ 2,907,921.65
BOND PROCEEDS							
ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
08-01-19	n/a	SP TAX - B BOND	242969000	0.00			74.41
08-01-19	n/a	RESERVE	242969003	0.00			722,956.72
08-01-19	n/a	SP TAX - REFNDING BOND	242969004	0.01			15,151.55
			TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1				$ 738,182.68
BOND PROCEEDS							
2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
	n/a	SPEC TRB SER A/B	251009000	0.01			343,658.64
	n/a	RESERVE FUND	251009001	0.01			645,043.71
			TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021				$ 988,702.35

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
BOND PROCEEDS							
2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
11-08-06	n/a	REDEMPTION FUND	106844000	0.01			102,815.31
11-08-06	n/a	ADM EXP	106844002	0.01			1,797.69
11-08-06	n/a	RESERVE FUND	106844003	0.01			86,852.33
		TOTAL 2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB					$ 191,465.33
2015 HA DEBT SERVICE RESERVE							
Fiscal Agent: Bank of America							
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08			40,773.01
		TOTAL 2015 HA DEBT SERVICE RESERVE					$ 40,773.01
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND							
05-23-18	n/a	CITY	104790895775 Public Agency Retirement Service	2.60			10,188,656.58
		TOTAL PARS PENSION TRUST FUND					$ 10,188,656.58
BOND PROCEEDS							
2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
09-03-15	n/a	BOND FUND	277067000	0.00			255,930.52
09-03-15	n/a	INTEREST ACCT	277067001	0.01			5.87
09-03-15	n/a	BOND RESERVE	277067003	0.00			281,021.95
09-03-15	n/a	REPAIR & REPLACE FUND	277067004	0.00			1,325,908.45
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS					$ 1,862,866.79

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
BOND PROCEEDS							
2017 PFA $17.4M LEASE REVENUE BONDS							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
04-05-17	n/a	REVENUE FUND	271128000	0.00			1.17
04-05-17	n/a	REVENUE REFUNDING BOND	271128001	n/a			0.05
$42,830	n/a	REVENUE REFUNDING BOND	271128002				0.10
		TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS					$ 1.32
BOND PROCEEDS							
2023 A&B SERIES ACQUISITION & CONSTRUCTION REVENUE BOND							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
			248041000				7.11
11-30-23	n/a	INTEREST	248041001				560,558.85
11-30-23	n/a	PRINCIPAL	248041002				1,245,000.00
11-30-23	n/a	REVENUE FUND	248041004				13.54
11-30-23	n/a	INTEREST	248041007				456,676.63
11-30-23	n/a	REVENUE FUND	248041008				4,800,280.34
		TOTAL 2023 A&B SERIES B ACQUISITION & CONSTRUCTION REV BOND					$ 7,062,536.47
		GRAND TOTAL - FISCAL AGENT CASH					$ 24,155,927.50

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand			$ 14,837,327
Pooled Cash Investments			
City:	$	315,517,859	
Insur Fund:	$	4,342,534	$ 319,860,393
Library Investments			$ 13,927
Subtotal			$ 334,711,647
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash			$ 24,155,928
Grand total			$ 358,867,575

The interest rate quoted on LAIF, AIM, and Fiscal Agent/Trustee accounts is the most current rate available.
LAIF & AIM interest Rates are as of March 31, 2025

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

CITY OF PALMDALE

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF), CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP), & UBS FINANCIAL SERVICES

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
LAIF - CITY ACCOUNT 98-19-620				
Beginning Balance				$ 57,004,603.30
Subtotal	$ -	$ -	$ -	$ 57,004,603.30
LAIF - PFA ACCOUNT 40-19-078				
Beginning Balance				$ 39,313,382.47
Subtotal	$ -	$ -	$ -	$ 39,313,382.47
LAIF - LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 13,776.68
04-15-25			$ 150.16	
Subtotal	$ -	$ -	$ 150.16	$ 13,926.84
LAIF - ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 14,900,232.58
Subtotal	$ -	$ -	$ -	$ 14,900,232.58
CAMP				
Beginning Balance				$ 52,558,640.46
05-31-25			$ 197,432.64	
Subtotal	$ -	$ -	$ 197,432.64	$ 52,756,073.10
UBS Financial Services				
Beginning Balance				$ 100,058.80
05-30-25			$ 20,264.78	
05-30-25		$ (120,257.50)		
Subtotal	$ -	$ (120,257.50)	$ 20,264.78	$ 66.08
Total	$ -	$ (120,257.50)	$ 217,847.58	$ 163,988,284.37

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

CITY OF PALMDALE

POOLED CASH - INVESTMENTS MATURED OR CALLED

TN = US Treas
FP = Federal P
CD = Certificate

C = Call
M = Maturity
CB = Corporate Bond

ISSUER	PURCHASE DATE	MATURITY DATE	FACE VALUE REDEEMED	INTEREST RECEIVED	NET FUNDS	INVESTED AMOUNT	GAIN/ (LOSS)
							-
					-		-
			$ -	$ -	$ -	$ -	$ -

Total Number of Transactions:

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MAY 31, 2025

POOLED CASH - INVESTMENTS PURCHASED

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
CN = Corporate Notes

ISSUER	PURCHASE DATE	MATURITY DATE	FACE VALUE	PREMIUM / (DISCOUNT)	PURCHASE PRICE	ACCRUED INTEREST PURCHASED	NET PURCHASE	Yield
							-	
							-	
							-	
			$ -	$ -	$ -	$ -	$ -	

Total Number of Transactions:

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
May 31, 2025

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	INVESTED AMOUNT	TOTAL
LAIF - SA ACCOUNT 65-19-035						
09-01-84	n/a	SA Account	65-19-035	0.78	3,899,819.00	
						$ 3,899,819.00

FISCAL AGENT CASH

BOND PROCEEDS						
CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						
Fiscal Agent: U.S. Bank National Association						
08-20-02	n/a	Reserve Fund	94460700	2.54	538,437.90	
08-20-02	n/a	Interest Acct	94460701	0.04	41,711.88	
08-20-02	n/a	Principal Acct	94460702	0.04	372.91	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 580,522.69
BOND PROCEEDS						
2016 SA $31.5M Tax Allocation Refunding Bonds Series A						
Fiscal Agent: U.S. Bank National Association (fka First Trust)						
04-26-16	n/a	Debt Service	245113000	0.00	6.29	
04-26-16	n/a	Interest Acc	245113001	N/A	0.00	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 6.29
GRAND TOTAL - FISCAL AGENT CASH						$ 580,528.98

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$	5,222,196
Pooled Cash Investments	$	3,899,819
Successor Agency Fiscal Agent Cash	$	580,529
Grand total	$	9,702,544

* The interest rate quoted on LAIF and Fiscal Agent/Trustee accounts is the most current rate available. LAIF interest rates are as of May 31, 2025.

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
May 31, 2025

POOLED CASH - STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF)

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
LAIF - SA ACCOUNT 65-19-035				
Beginning Balance				3,899,819.00
Subtotal	$ -	$ -	$ -	$ 3,899,819.00

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE THIRD AMENDMENT TO AGREEMENT WITH EIDE BAILLY, LLP, FOR FINANCIAL AUDITING SERVICES FOR AN ADDITIONAL $142,347, AND A NOT TO EXCEED AMOUNT OF $1,159,128, FOR THE REMAINDER OF THE FIVE-YEAR TERM, THROUGH JUNE 30, 2028**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Third Amendment to Agreement A-8300 for audit services between the City of Palmdale and Eide Bailly, LLP for an additional $142,347, and a not to exceed amount of $1,159,128, for the remainder of the five-year term, through June 30th, 2028; and,

2. Authorize the City Manager Pro Tem or his designee to execute the Third Amendment to Agreement No. A-8300 with Eide Bailly, LLP. including minimal and/or non-substantial changes.

BACKGROUND

The City entered into a Professional Services Agreement with Eide Bailly, LLP, on July 1, 2023, to perform independent audit services in accordance with Generally Accepted Government Auditing Standards (GAGAS). The agreement has since been amended twice to address expanded audit requirements and related services, including the implementation of newly issued governmental accounting standards.

As part of the City's commitment to financial transparency and compliance with Government Finance Officers Association (GFOA) best practices, the City prepares an Annual Comprehensive Financial Report (ACFR), which includes detailed financial information for both the City and its component units. Additionally, the City prepares Annual Comprehensive Financial Reports for individually presented Component Units.

DISCUSSION

The preparation of the ACFR is a significant undertaking that requires highly specialized expertise in governmental accounting and reporting. To enhance the quality and timeliness of the ACFR preparation, staff recommend engaging Eide Bailly, LLP, to provide technical assistance and preparation support. The proposed amendment will expand the scope of services under the existing agreement to include:

- Assistance with ACFR preparation in accordance with GASB standards;
- Financial statement compilation and note disclosures for the City and component units; and,
- Review of prior-year findings and incorporation of new reporting requirements.

This service will ensure that the City continues to meet the GFOA Certificate of Achievement for Excellence in Financial Reporting criteria and enhances the City's ability to deliver its financial reports in a timely and accurate manner.

FISCAL IMPACT

$142,347; Funds are budgeted and available in FY 2025-26 in the Finance Division-Audit Professional Services account.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Involve and expand engagement to enhance public oversight and transparency

Prepared by:	Janelle Samson, Director of Operations
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Agrmt No. A-8300 Third Amendment with Eide Bailly, LLP
Agrmt No. A-8300 Second Amendment with Eide Bailly, LLP
Agrmt No. A-8300 First Amendment with Eide Bailly, LLP
Agrmt No. A-8300 with Eide Bailly, LLP

3RD AMENDMENT TO AGREEMENT A- A-8300
BETWEEN THE CITY OF PALMDALE AND EIDE BAILLY, LLP.

This 3RD Amendment to Agreement No. A-A-8300 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and EIDE BAILLY, LLP. (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on 05-08-2023 ("Original Agreement") the CITY and CONSULTANT entered into an agreement to provide:

CITYWIDE AUDITING SERVICES

WHEREAS, the parties desire to amend the Original Agreement to:

Section 1 (Description of work) shall be amended as follows to include the additional scope of services below:

L. Compilation of the Annual Comprehensive Financial Report (ACFR) and related stand-alone reports.

Assistance with Financial Statement Preparation CONSULTANT will assist the City by drafting the financial statements (including footnotes and supplementary schedules) for the City's Annual Comprehensive Financial Report (ACFR), Housing Authority, Public Financing Authority and Community Foundation from closed trial balances and reconciliations provided by the City. The City will provide the introductory section, management’s discussion and analysis and statistical sections needed for the ACFR. CONSULTANT will provide electronic PDFs as deliverables to City. The City is responsible for any printing/binding.

A-8300 - $960,000.00
Amendment #1 - increase $41,781.00 for a new NTE of $1,001,781.00
Amendment #2 - increase $15,000.00 for a new NTE of $1,016,781.00

Section 9 (Compensation) will be amended to increase by the amounts shown below.

	2025	2026	2027
ACFR	$30,000.00	$28,864.00	$31,209.00
Housing Authority	$10,000.00	$9,621.00	$10,343.00
PFA	$5,000.00	$4,816.00	$5,177.00
Foundation	$2,500.00	$2,408.00	$2,589.00
TOTAL	**$47,500.00**	**$45,709.00**	**$49,138.00**

This will increase the agreement by $142,347.00 for a new, not-to-exceed amount of $1,159,128.00.

NOW THEREFORE, the parties agree as follows:

Section 1 (Description of work) shall be amended as follows to include the additional scope of services below:

L. Assistance with Financial Statement Preparation CONSULTANT will assist the City by drafting the financial statements (including footnotes and supplementary schedules) for the City's Annual Comprehensive Financial Report (ACFR), Housing Authority, Public Financing Authority and Community Foundation from closed trial balances and reconciliations provided by the City. The City will provide the introductory section, management’s discussion and analysis and statistical sections needed for the ACFR. CONSULTANT will provide electronic PDFs as deliverables to City. The City is responsible for any printing/binding.

Section 9 (Compensation) will be amended to increase the agreement by $142,347.00, for a new not-to exceed total of $1,144,128.00.

All other terms and conditions of the Original Agreement not amended herein, remain in full force and effect.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

SALVADOR MENDEZ
CITY MANAGER PRO TEM

JS
Signed: 6/18/2025

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38250 Sierra Highway
Palmdale, CA 93550

APPROVE AS TO FORM:

ALEXANDRA HALFMAN
ACTING CITY ATTORNEY

ATTEST:

Roxanne Faber
City Clerk

EIDE BAILLY, LLP.:


Signed: 6/18/2025

ROGER ALFARO
PARTNER

ADDRESS FOR NOTICE:
EIDE BAILLY, LLP.
10681 Foothill Blvd
Rancho Cucamonga, CA 91730

---------- INTERNAL USE ONLY ----------

- ■Certificate(s) and Endorsement(s) attached
- ■Confirmed business name on contract with certificate(s)
- ■Original contract and previous amendment(s) (if any) are attached
- ■Attached Agreement Checklist and met all requirements

Record of Signing

For
Name
Title



Signed on 2025-06-18 15:45:28 GMT

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DocumentID: 030EY0uvKST9OcJUqwMa5o
SigningID: 030EY0uv8N2hi7qUCnLSbW
Signing date: 6/18/2025
IP Address: 206.171.111.149
Email: jsamson@cityofpalmdale.org

For
Name
Title



Signed on 2025-06-18 16:32:36 GMT

Secured by Concord™
DocumentID: 030EY0uvKST9OcJUqwMa5o
SigningID: 030EZAeE35pH6crNFtxtuE
Signing date: 6/18/2025
IP Address: 172.56.177.16
Email: ralfaro@eidebailly.com

concord™
Where agreements happen.

Signed with https://www.concord.app/

2ND AMENDMENT TO AGREEMENT A- 8300
BETWEEN THE CITY OF PALMDALE AND EIDE BAILLY

This 2ND Amendment to Agreement No. A-8300 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and EIDE BAILLY (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on 07-01-2023 ("Original Agreement") the CITY and CONSULTANT entered into an agreement to provide:

Measure AV Auditing Services

WHEREAS, the parties desire to amend the Original Agreement to:

Section 1 (Description of work) shall be amended as follows to include below:

K. Measure AV

1. CITY will provide the CONSULTANT with copies of the award applications, and agreements (including amendments) to verify the existence and amount of funding available and expended.

2. CONSULTANT will review the grant documents above to gain an understnading of complaince requiremetns stipulated by the CITY to the Grantee surrounding administartive costs.

3. CONSULTANT will obtain and document an understanding of the CITY'S monitoring and oversight process and administrative costs.

4. CONSULTANT will obtain a final report submitted by grantees to the CITY and review the ratio of administrative cost to total cost to consistency with grant requirements.

5. CONSULTANT will prepare a final report.

Section 9 : (Compensation) shall be amended to increase by $15,000.00.

This will increase the agreement by $15,000, for a new not-to-exceed total of $1,016,781.00.

NOW THEREFORE, the parties agree as follows:

Section 1 (Description of work) shall be amended as follows to include below:

K. Measure AV

1. CITY will provide the CONSULTANT with copies of the award applications, and agreements (including amendments) to verify the existence and amount of funding available and expended.

2. CONSULTANT will review the grant documents above to gain an understnading of complaince requiremetns stipulated by the CITY to the Grantee surrounding administartive costs.

3. CONSULTANT will obtain and document an understanding of the CITY'S monitoring and oversight process and administrative costs.

4. CONSULTANT will obtain a final report submitted by grantees to the CITY and review the ratio of administrative cost to total cost to consistency with grant requirements.

5. CONSULTANT will prepare a final report.

Section 9 : (Compensation) shall be amended to increase by $15,000.00.

This will increase the agreement by $15,000, for a new not-to-exceed total of $1,016,781.00.

All other terms and conditions of the Original Agreement not amended herein, remain in full force and effect.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

Ronda Perez
Signed: 9/5/2024

RONDA PEREZ
CITY MANAGER

JS
Signed: 8/29/2024

ADDRESS FOR NOTICE:
CITY OF PALMDALE
382550 SIERRA HIGHWAY
Palmdale, CA 93550

EIDE BAILLY:

Signed: 9/4/2024

ROGER ALFARO
PARTNER

ADDRESS FOR NOTICE:
EIDE BAILLY
10681 FOOTHILL BLVD
RANCHO CUCAMONGA, CA 91730

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 9/5/2024

William P. Curley, III
City Attorney

ATTEST:

Roxanne Faber
Signed: 9/6/2024

Roxanne Faber
City Clerk

---------- INTERNAL USE ONLY ----------

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
■Original contract and previous amendment(s) (if any) are attached
■Attached Agreement Checklist and met all requirements

Record of Signing

For
Name
Title



Signed on 2024-08-29 18:46:13 GMT

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DocumentID: 02xXc72pZBHISmiyXGiGz6
SigningID: 02xXc72pT8Z42TA7tpGXdm
Signing date: 8/29/2024
IP Address: 206.171.111.149
Email: jsamson@cityofpalmdale.org

For
Name
Title



Signed on 2024-09-04 15:22:30 GMT

Secured by Concord™
DocumentID: 02xXc72pZBHISmiyXGiGz6
SigningID: 02xax9DnlGszGzmVEG30lA
Signing date: 9/4/2024
IP Address: 172.56.179.100
Email: ralfaro@eidebailly.com

For
Name
Title



Signed on 2024-09-05 23:19:38 GMT

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DocumentID: 02xXc72pZBHISmiyXGiGz6
SigningID: 02xbiCCZt22jdJEDct0cVB
Signing date: 9/5/2024
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

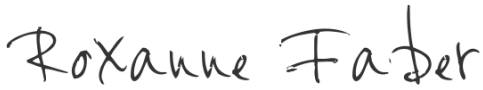
For
Name
Title



Signed on 2024-09-05 23:44:04 GMT

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DocumentID: 02xXc72pZBHISmiyXGiGz6
SigningID: 02xbinNmsgDc3sGj3XTsbP
Signing date: 9/5/2024
IP Address: 47.143.212.37
Email: rperez@cityofpalmdale.org

For
Name
Title



Signed on 2024-09-06 00:57:01 GMT

Secured by Concord™
DocumentID: 02xXc72pZBHISmiyXGiGz6
SigningID: 02xbkaP2kT5LgbRYTGD1no
Signing date: 9/6/2024
IP Address: 206.171.111.149
Email: rfaber@cityofpalmdale.org

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Signed with www.concordnow.com

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Nadine Daniels	
Lemme, A Division of EPIC 111 West Campbell Street 4th Floor Arlington Heights IL 60005	PHONE (A/C, No, Ext): 847-385-6800	FAX (A/C, No):
	E-MAIL ADDRESS: PSGCerts@lemme.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Swiss Re International SE and Various	
INSURED Eide Bailly LLP 4310 17th Ave. S. Fargo ND 58103	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 829851799 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	☐ OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ **UMBRELLA LIAB** ☐ OCCUR						EACH OCCURRENCE	$
	☐ **EXCESS LIAB** ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						☐ PER STATUTE ☐ OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ **(Mandatory in NH)**	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Professional Liability			FN2411907	5/1/2024	5/1/2025	Each Claim Aggregate	$5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

City of Palmdale
38300 Sierra Highway, Suite D
Palmdale CA 93550

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/24/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh & McLennan Agency LLC 505 Broadway North, Suite 100 Fargo ND 58102	**CONTACT NAME:** **PHONE (A/C, No, Ext):** **FAX (A/C, No):** **E-MAIL ADDRESS:**
INSURED EIDEBAILL2 Eide Bailly LLP PO Box 2545 Fargo ND 58103	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Phoenix Insurance Company — 25623 **INSURER B :** Travelers Property Casualty Co of Amer — 25674 **INSURER C :** Great American Insurance Company — 16691 **INSURER D :** Charter Oak Fire Insurance Company — 25615 **INSURER E :** Phoenix Insurance Company — 25623 **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 613914755 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
E	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR X 0 GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC OTHER:			P6307206X385	4/29/2024	4/29/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY [ ] SCHEDULED AUTOS X HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			BA8M663607	4/29/2024	4/29/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
D	X **UMBRELLA LIAB** [X] OCCUR **EXCESS LIAB** [ ] CLAIMS-MADE DED [ ] RETENTION $			CUP2J961189	4/29/2024	4/29/2025	EACH OCCURRENCE AGGREGATE	$ 15,000,000 $ 15,000,000
B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		UB9L19981A	4/29/2024	4/29/2025	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
C	Employee Theft and Dishonesty			SAAE8403190200	4/29/2024	4/29/2025	Limit Ded	$5,000,000 $25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Workers Compensation applies to: AR, AL, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NV, NY, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WI & WV
Workers Compensation policy excludes Owners/Partners.
Employers Liability applies to above states and ND,OH,WA,WY
Zero Deductible for Auto Liability coverage. Hired Auto Physical Damage Deductible Comp/Coll Ded is $500/$500
City of Palmdale, City of Palmdale in its capacity as the Successor Agency to the CRA, Palmdale Civic Authority, Housing Authority, Industrial Development Authority, Airport Authority, their officers, agents, employees and volunteers are additional insured including primary &non-contributory coverage for General Liability and for Auto Liability, to the extent required by written contract, subject to policy terms and conditions. Waiver of Subrogation applies on the General
See Attached...

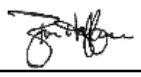
CERTIFICATE HOLDER

City of Palmdale
38300 Sierra Highway, Suite D
Palmdale CA 93550

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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AGENCY CUSTOMER ID: EIDEBAILL2

LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY Marsh & McLennan Agency LLC	NAMED INSURED Eide Bailly LLP PO Box 2545 Fargo ND 58103
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

Liability, including Separation of Insureds and Workers' Compensation to the extent required by written contract, subject to policy terms and conditions. 60 days notice of cancellation applies to the extent required

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COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. BROAD FORM NAMED INSURED
B. BLANKET ADDITIONAL INSURED
C. EMPLOYEE HIRED AUTO
D. EMPLOYEES AS INSURED
E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS
F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS
G. WAIVER OF DEDUCTIBLE – GLASS
H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT
I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT
J. PERSONAL PROPERTY
K. AIRBAGS
L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS
M. BLANKET WAIVER OF SUBROGATION
N. UNINTENTIONAL ERRORS OR OMISSIONS

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph **c.** in **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

   b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

   (1) Any covered "auto" you lease, hire, rent or borrow; and

   (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your

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permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   (2) Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph **(5)** in Paragraph **B.7., Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C.**, Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C.**, Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

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You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

(d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph **D., Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph **A.4.b., Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is $65 per day, to a maximum of $750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph **A.4.a., Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to $50 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph **A.4., Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to $400 for "loss" to wearing apparel and other personal property which is:

(1) Owned by an "insured"; and

(2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph **B.3., Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;

b. The airbags are not covered under any warranty; and

c. The airbags were not intentionally inflated.

We will pay up to a maximum of $1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph **A.2.a.**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

(a) You (if you are an individual);

(b) A partner (if you are a partnership);

(c) A member (if you are a limited liability company);

(d) An executive officer, director or insurance manager (if you are a corporation or other organization); or

(e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph **A.5., Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

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such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph **B.2., Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

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TRAVELERS

ONE TOWER SQUARE
HARTFORD CT 06183

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 99 03 76 (A) - 001

POLICY NUMBER: UB-9L19981A-22-43-G

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – CALIFORNIA (BLANKET WAIVER)

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

The additional premium for this endorsement shall be 2.00 % of the California workers' compensation premium.

Schedule

Person or Organization	Job Description
ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS WAIVER.	

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Policy No. Endorsement No.
Insured Premium

Insurance Company Countersigned by _____

DATE OF ISSUE: 05-23-22 **ST ASSIGN:**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR SERVICE INDUSTRIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. Who Is An Insured – Unnamed Subsidiaries

B. Who Is An Insured – Employees And Volunteer Workers – Bodily Injury To Co-Employees And Co-Volunteer Workers

C. Who Is An Insured – Newly Acquired Or Formed Limited Liability Companies

D. Blanket Additional Insured – Broad Form Vendors

E. Blanket Additional Insured – Controlling Interest

F. Blanket Additional Insured – Mortgagees, Assignees, Successors Or Receivers

G. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Premises

H. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations

I. Blanket Additional Insured – Grantors Of Franchises

J. Incidental Medical Malpractice

K. Blanket Waiver Of Subrogation

PROVISIONS

A. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and

b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

a. Before you maintained an ownership interest of more than 50% in such subsidiary; or

b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph **1.** of Section **II** – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

a. A limited liability company;

b. An organization other than a partnership, joint venture or limited liability company; or

c. A trust;

as indicated in its name or the documents that govern its structure.

B. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – BODILY INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Paragraphs **(1)(a)**, **(b)** and **(c)** above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to

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your other "volunteer workers" while performing duties related to the conduct of your business.

C. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED LIMITED LIABILITY COMPANIES

The following replaces Paragraph **3.** of **SECTION II – WHO IS AN INSURED**:

3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph **1.** of Section **II** – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

a. A limited liability company;

b. An organization, other than a partnership, joint venture or limited liability company; or

c. A trust;

as indicated in its name or the documents that govern its structure.

D. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

a. Occurs subsequent to the signing of that contract or agreement; and

b. Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

b. The insurance provided to such vendor does not apply to:

(1) Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;

(2) Any change in "your products" made by such vendor;

(3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";

(5) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or

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(6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or

b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

E. BLANKET ADDITIONAL INSURED – CONTROLLING INTEREST

1. The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

a. Such financial control; or

b. Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

2. The following is added to Paragraph **4.** of **SECTION II – WHO IS AN INSURED**:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

F. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and

b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

b. The insurance provided to such person or organization does not apply to:

(1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or

(2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.

G. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings,

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canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

H. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or

b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

I. BLANKET ADDITIONAL INSURED – GRANTORS OF FRANCHISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that grants a franchise to you is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your operations in the franchise granted by that person or organization.

If a written contract or agreement exists between you and such additional insured, the limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

J. INCIDENTAL MEDICAL MALPRACTICE

1. The following replaces Paragraph **b.** of the definition of "occurrence" in the **DEFINITIONS** Section:

b. An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

2. The following replaces the last paragraph of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a)**, **(b)**, **(c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide:

(a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician, paramedic, athletic trainer, audiologist, dietician, nutritionist, occupational therapist or occupational therapy assistant, physical therapist or speech-language pathologist; or

(b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following replaces the last sentence of Paragraph **5.** of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

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5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or

b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph **2.a.(1)** of Section **II** – Who Is An Insured.

K. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph **8.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

a. "Bodily injury" or "property damage" that occurs; or

b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED
(Includes Products-Completed Operations If Required By Contract)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you agree in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only:

a. With respect to liability for "bodily injury" or "property damage" that occurs, or for "personal injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement and while that part of the contract or agreement is in effect; and

b. If, and only to the extent that, such injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the written contract or agreement applies. Such person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is subject to the following provisions:

a. If the Limits of Insurance of this Coverage Part shown in the Declarations exceed the minimum limits required by the written contract or agreement, the insurance provided to the additional insured will be limited to such minimum required limits. For the purposes of determining whether this limitation applies, the minimum limits required by the written contract or agreement will be considered to include the minimum limits of any Umbrella or Excess liability coverage required for the additional insured by that written contract or agreement. This provision will not increase the limits of insurance described in Section **III** – Limits Of Insurance.

b. The insurance provided to such additional insured does not apply to:

(1) Any "bodily injury", "property damage" or "personal injury" arising out of the providing, or failure to provide, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and

(b) Supervisory, inspection, architectural or engineering activities.

(2) Any "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the written contract or agreement specifically requires you to provide such coverage for that additional insured during the policy period.

c. The additional insured must comply with the following duties:

(1) Give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

(a) How, when and where the "occurrence" or offense took place;

(b) The names and addresses of any injured persons and witnesses; and

(c) The nature and location of any injury or damage arising out of the "occurrence" or offense.

(2) If a claim is made or "suit" is brought against the additional insured:

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(a) Immediately record the specifics of the claim or "suit" and the date received; and

(b) Notify us as soon as practicable and see to it that we receive written notice of the claim or "suit" as soon as practicable.

(3) Immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.

(4) Tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover such additional insured for a loss we cover. However, this condition does not affect whether the insurance provided to such additional insured is primary to other insurance available to such additional insured which covers that person or organization as a named insured as described in Paragraph **4.**, Other Insurance, of Section **IV –** Commercial General Liability Conditions.

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/30/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Nadine Daniels	
Lemme, A Division of EPIC 111 West Campbell Street 4th Floor Arlington Heights IL 60005	PHONE (A/C, No, Ext): 847-385-6800	FAX (A/C, No):
	E-MAIL ADDRESS: PSGCerts@lemme.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Liberty Surplus Insurance and Various	
INSURED Eide Bailly LLP 4310 17th Ave. S. Fargo ND 58103	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 1998967175 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	☐ OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ **UMBRELLA LIAB** ☐ OCCUR						EACH OCCURRENCE	$
	☐ **EXCESS LIAB** ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						☐ PER STATUTE ☐ OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ **(Mandatory in NH)**	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Cyber Liability			EO5CABGU2A008	5/1/2024	5/1/2025	Aggregate	$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

City of Palmdale
38300 Sierra Highway, Suite D
Palmdale CA 93550

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Nadine F. Daniels

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1ST AMENDMENT TO AGREEMENT A-8300
BETWEEN THE CITY OF PALMDALE AND EIDE BAILLY, LLP.

This 1ST Amendment to Agreement No. A-8300 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and EIDE BAILLY, LLP. (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on 07-01-2023 ("Original Agreement") the CITY and CONSULTANT entered into an agreement to provide:

City Wide auditing services.

WHEREAS, the parties desire to amend the Original Agreement to:

Section 1 (Description of work) shall be amended as follows to include below:

H: Assessment and Community Facility Districts Audit Reports

vi: Community Facilities District No. 16-1 (Joshua Ranch CFD)

Section 9 (Compensation) shall be amended to increase by the amounts shown below:

2023	2024	2025	2026	2027
$7,200	$7,700	$8,321	$8,945	$9,615

This will increase the agreement by $41,781, for a new not-to-exceed total of $1,001,781.
NOW THEREFORE, the parties agree as follows:

Section 1 (Description of work) shall be amended as follows to include below:

H: Assessment and Community Facility Districts Audit Reports

vi: Community Facilities District No. 16-1 (Joshua Ranch CFD)

Section 9 (Compensation): will be increased by $41,781 for a new not-to-exceed total of $1,001,781.

All other terms and conditions of the Original Agreement not amended herein, remain in full force and effect.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

Ronda Perez
Signed: 3/5/2024

RONDA PEREZ
CITY MANAGER

JS
Signed: 2/29/2024

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Highway Suite D
Palmdale, CA 93550

EIDE BAILLY, LLP.:

Signed: 3/1/2024

ROGER ALFARO
PARTNER

ADDRESS FOR NOTICE:
EIDE BAILLY, LLP.
10681 Foothill Blvd
Rancho Cucamonga, Ca 91730

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 3/5/2024

William P. Curley, III
City Attorney

ATTEST:

Roxanne Faber
Signed: 3/6/2024

Roxanne Faber
Acting City Clerk

---------- INTERNAL USE ONLY ----------

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
■Original contract and previous amendment(s) (if any) are attached
■Attached Agreement Checklist and met all requirements

Record of Signing

For
Name
Title



Signed on 2024-02-29 02:03:32 GMT

Secured by Concord™
DocumentID: 02vrTnmPCE0jj3ty9bQspH
SigningID: 02vrTnmP6BIQRHxIrtRqY9
Signing date: 2/29/2024
IP Address: 206.171.111.149
Email: jsamson@cityofpalmdale.org

For
Name
Title



Signed on 2024-03-01 01:44:23 GMT

Secured by Concord™
DocumentID: 02vrTnmPCE0jj3ty9bQspH
SigningID: 02vs2ffC8vttXDLPNKvuR9
Signing date: 3/1/2024
IP Address: 172.56.179.4
Email: ralfaro@eidebailly.com

For
Name
Title



Signed on 2024-03-05 17:32:01 GMT

Secured by Concord™
DocumentID: 02vrTnmPCE0jj3ty9bQspH
SigningID: 02vuhHaYslgAjdYEUAkI52
Signing date: 3/5/2024
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

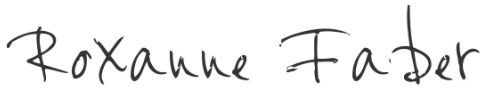
For
Name
Title



Signed on 2024-03-05 18:13:05 GMT

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DocumentID: 02vrTnmPCE0jj3ty9bQspH
SigningID: 02vuiI50j0zDmIkVCSLWcz
Signing date: 3/5/2024
IP Address: 206.171.111.149
Email: rperez@cityofpalmdale.org

For
Name
Title



Signed on 2024-03-06 16:56:53 GMT

Secured by Concord™
DocumentID: 02vrTnmPCE0jj3ty9bQspH
SigningID: 02vvFlAj7svLu4Sptk48AQ
Signing date: 3/6/2024
IP Address: 206.171.111.149
Email: rfaber@cityofpalmdale.org

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AGREEMENT NO. A-8300
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND EIDE BAILLY, LLP.

THIS CONTRACT FOR CONSULTANT SERVICES ("Contract" herein) is made and entered into this 1st day of July, 2023 by and between the City of Palmdale a public body corporate and politic, (hereinafter called "CITY") and EIDE BAILLY, LLP. (hereinafter called "CONSULTANT").

RECITALS

WHEREAS**,** City desires to engage CONSULTANT to provide certain consultant services; and

WHEREAS, CONSULTANT represents that CONSULTANT has the expertise and is qualified to perform the services described in this Contract. And, if required, is duly registered under the laws of the State of California; and

WHEREAS, CONSULTANT desires to accept such engagement.

NOW, THEREFORE, the parties agree as follows:

1 DESCRIPTION OF WORK

1.1 The City hereby engages CONSULTANT, and CONSULTANT accepts such engagement, to provide the following services:

The CONSULTANT shall express an Audit opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

The CONSULTANT shall include an examination of all City funds. The CONSULTANT will be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board, as mandated by generally accepted auditing standards.

The CONSULTANT shall review and verify all trial balance worksheets and summary schedules including balance sheets, revenues, expenditures, and changes in fund balance for each City fund. The data source for the schedules will be the financial statements supplied by the City. An initial draft of the ACFR will be prepared by City staff and will be given to the auditors during the final stage of the audit. Final report preparation and necessary editing shall be the responsibility of the City.

A. Financial Statement Audits:

The CONSULTANT shall audit the financial statements of the below government activities, each major fund, and the aggregate remaining fund information, which collectively compromises the basic financial statements of the City as of and for each

year of the Contract term:

B. Annual Comprehensive Financial Report (ACFR).

- The City desires the CONSULTANT to issue an opinion on the fair presentation of its basic financial statements. The CONSULTANT is not required to issue an opinion on the combining and individual non- major fund financial statements and schedules. However, the CONSULTANT is to provide an “in-relation-to” report based on the auditing procedures applied during the audit of the basic financial statements. Certain limited procedures should be applied to management’s discussion and analysis and budgetary comparison information, but an expression of an opinion is not required. The CONSULTANT is not required to express an opinion on the introductory and statistical sections.

- The CONSULTANT will conduct the examination of the City’s Financial statements in accordance with generally accepted auditing standards and Government Auditing Standards for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The City will have the responsibility of preparing the annual ACFR

- Management and SAS 114 Letters, which includes findings, statements, observations, opinion, comments, or recommendations, related to:

- Systems of internal control based upon the auditors’ understanding of the control structure and assessment of control risk.

- Compliance with applicable laws and regulations.

- Accounting systems, functions, procedures, and processes, especially regarding cost effectiveness.

C. Single Audit Report.

-The City receives federal funds which come under the provision of the Single Audit Act. The CONSULTANT is not required to audit the Schedule of Expenditures of Federal Awards; however, the CONSULTANT is to provide an “in-relation-to” report on that schedule based on the auditing procedures applied during the audit of the financial statements.

- The CONSULTANT shall supply a multiple part auditor’s report on the City’s compliance with requirements of Federally-funded programs for which it receives funding, in accordance with the Single Audit Act Amendments of 1996, the Office of Management and Budget’s (OMB) Circular A-133 (“Audits of States, Local

Governments and Non-Profit Organizations”), and the GAO’s Government Auditing Standards, January 2007 Revisions for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The CONSULTANT shall submit the Single Audit and the Single Audit Form SF-SAC with the Federal Audit Clearing House (FAC)

- Agreed-Upon Procedures Performed Related to the calculation of the Gann Appropriations Limit.

- The CONSULTANT shall conduct an Agreed Upon Procedures Examination of the Appropriations Limit Calculation in accordance with procedures as presented in the League of California Cities publication Agreed Upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-8 of the California Constitution for the fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

D. Housing Authority Audit Report

- The CONSULTANT shall conduct an examination of the Housing Authority’s financial statements in accordance with generally accepted auditing standards and Government Auditing Standards for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The City will have the responsibility of preparing the annual Financial Statement.

E. City of Palmdale Civic Authority Audit Report

- The CONSULTANT shall conduct an examination of the Civic Authority’s financial statements in accordance with generally accepted auditing standards and Government Auditing Standards for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The City will have the responsibility of preparing the annual Financial Statement.

F. City of Palmdale Financing Authority Audit Report

- The CONSULTANT shall conduct an examination of the Palmdale Financing Authority’s financial statements in accordance with generally accepted auditing standards and Government Auditing Standards for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The City will have the responsibility of preparing the annual Financial Statement.

G. City of Palmdale Community Foundation Audit Report

- The CONSULTANT shall conduct an examination of the Palmdale Community Foundation Authority’s financial statements in accordance with generally accepted auditing standards and Government Auditing Standards for fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

- The CONSULTANT shall prepare the tax returns for each fiscal year by May 15th of the following year.

- The City will have the responsibility of preparing the annual Financial Statement.

H. Assessment and Community Facility Districts Audit Reports

- The CONSULTANT shall prepare the following financial statements on behalf of the City as of and for the years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

-This includes the Governmental Activities and each major fund, for the year then ended. The CONSULTANT will issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants:

i. Community Facilities District No. 91-1 (Sierra Gateway)

ii. Community Facilities District No. 93-1 (Ritter Ranch)

iii. Community Facilities District No. 2003-1 (Anaverde Improvement Area A)

iv. Community Facilities District No. 05-1 (Trade & Commerce Center)

v. Assessment District No. 2006-1 (Godde Hills Estates Sewer Improvements)

- The CONSULTANT'S submission to the City will include required supplementary information, including management's discussion and analysis and budgetary comparison information required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The Auditor shall indicate the degree of responsibility taken regarding such information but will not audit such information nor express an opinion on it.

- The objective of a review is to obtain limited assurance that there are no material modifications that should be made to the financial statements for the statements to be in conformity with accounting principles generally accepted in the United States of

America.

- The CONSULTANT shall prepare the financial statements for the above-mentioned reports for the fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027.

I. Annual Development Impact Fees Report

- The CONSULTANT shall transcribe data from expenditure and revenue information and trial balances provided by the City onto spreadsheets that summarizes expenditure and revenue items in accordance with Government Code Section 66000 et al.

- The CONSULTANT shall sort the revenue and expenditure data in accordance with Government Code that will be consistent with the manner used by the City in prior annual reports. If such a manner is inconsistent with Government Code, the City will provide direction to the CONSULTANT as to which method of presentation to use. The summary spreadsheets will provide the following:

i. The beginning and ending fund balance for each development fee account.

ii. The amount of funds expended on each project for the year just ended.

iii. The amount of developer fees collected, and interest earned for the year just ended.

iv. If applicable, a description of each inter-fund transfer or loan made from each development fee account.

v. If applicable, the amount of refunds made pursuant to the Government Code Section 66001.

- The CONSULTANT shall transcribe cash balance totals and fund balance totals from trial balances or drafted financial statements provided by the City onto spreadsheets for the purpose of documenting the length of time the City has held such funds.

- If fund balance or cash totals in the development fee accounts are being held by the City for more than five years, the CONSULTANT will identify such development fee accounts to the City .

- From copies of ordinances and resolutions provided to us by the City, the CONSULTANT will summarize the existing developer fee levies by fee type in a schedule and summarize the work in a written report to the City.

-The CONSULTANT shall submit for management review a draft of all reports. The final reports are subject to review by the City Council. The CONSULTANT shall incorporate, as part of the basic proposal, meeting time with staff and City Council for the purpose of discussing the audits or management letter and its conclusions.

J. Additional Services to Be Requested at City's Option:

-Reports on other audits or agreed-upon procedures may be agreed to in writing and as stated in a supplemental audit agreement. Prior to beginning work, the scope of the study and associated costs shall be approved by the City.

Such as but not limited to:

- Responsibility of preparing the Annual Financial Statement.

- Consulting services in connection with the implementation of new GASB pronouncements.

- City's Financial Transactions Report to the State Controller

Number of Copies of Report to Be Produced:

- ACFR – 1 pdf file

- Management and SAS 114 Letters – 1 pdf file

- Single Audit – 1 pdf file

- Gann Limit - 1 pdf file

- City of Palmdale Housing Authority – 1 pdf

- City of Palmdale Civic Authority – 1 pdf

- City of Palmdale Financing Authority – 1 pdf

- City of Palmdale Community Foundation – 1 pdf

- Assessment and Community Facilities District – 1 pdf

- Annual Development Impact Fees Report – 1 pdf

- Cities Financial Transactions Report – 1 pdf file

CONSULTANT shall perform and complete all such work and services in a manner satisfactory to CITY.

1.2 Project deliverables shall be reviewed and approved by CITY to determine acceptable completion. CITY shall have the right to review and inspect the work during the course of its performance at such times as may be specified by CITY.

1.3 CONSULTANT shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract change order or amendment and signed by CITY. Any extensions of time must be mutually agreed upon in writing and executed by both parties.

1.4 CITY shall provide to CONSULTANT, without charge, all data, program information, including reports, records, maps, and other information, now in CITY's possession, which may facilitate the timely performance of the work.

2 CITY PROJECT MANAGER

To provide the services required by this Contract, CONSULTANT shall act under the authority and approval of a Project Manager appointed by CITY. The City Project Manager will oversee the work under this Contract, assist CONSULTANT with any necessary information, audit billings, and approve payments. CONSULTANT shall channel reports, deliverables, and special requests through the City Project Manager.

3 CONSULTANT'S KEY PERSONNEL

CONSULTANT's Team and Key Personnel are as follows:

ROGER ALFARO, KARLEE RANSOM, JESSICA ANDERSEN.

This Consultant Services Contract has been awarded to CONSULTANT based on its representation that those personnel and subcontractors listed above will perform the portions of the work listed herein. CONSULTANT shall not deviate nor substitute any of these team members without prior written approval by CITY, which approval may not be unreasonably withheld.

4 CONTRACT TERM

The term of this contract is Five Years (5) years, commencing on July 01, 2023.

5 TAXES

5.1 CONSULTANT shall pay all sales, consumer, use, and other similar taxes required to be paid by CONSULTANT in accordance with state and local laws.

5.2 CONSULTANT is an independent contractor and shall have no power or authority to incur any debt, obligation, or liability on behalf of CITY. No person

employed by CONSULTANT or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of CITY.

5.3 CONSULTANT shall be required to obtain a current City of Palmdale business license, as required by the Palmdale Municipal Code, before an Authorization to Proceed is issued.

6 PATENT FEES AND ROYALTIES

CONSULTANT shall pay all license fees and royalties and assume all costs incident to the use, in the performance of the work or the incorporation in the work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product or device is specified by CITY for use in the performance of the work and if, to the actual knowledge of CITY, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by CITY in the contract documents. CONSULTANT shall indemnify and hold harmless CITY and anyone directly or indirectly employed by CITY from and against all claims, damages, losses and expenses (including attorneys' fees) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the work, or resulting from the incorporation in the work of any invention, design, process, product or device not specified by CITY, and shall defend all such claims in connection with any alleged infringement of such rights.

7 STANDARDS OF PERFORMANCE

CONSULTANT shall be responsible for the completeness and accuracy of its services and work and documents resulting there from. CONSULTANT shall correct any such deficiencies or errors without additional compensation and without cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY -furnished information.

8 CONSULTANT’S PERSONNEL

8.1 All services required under this Contract shall be performed by CONSULTANT, or under CONSULTANT’S direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services.

8.2 CONSULTANT shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Contract, and compliance with all reasonable performance standards established by CITY.

8.3 CONSULTANT shall be responsible for payment of all CONSULTANT’s employees’ and subcontractor’s wages and benefits and shall comply with all

requirements pertaining to the employer's liability, workers' compensation, unemployment insurance, and Social Security.

8.4 CONSULTANT shall indemnify and hold harmless CITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from CONSULTANT's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

9 COMPENSATION

9.1 For all of work and services including the various phases of tasks as described in Section 1, CITY shall pay to CONSULTANT an amount not to exceed the sum of Nine Hundred and Sixty Thousand dollars ($960000), payable as follows:

[CONTINUED ON NEXT PAGE]

6. Cost Proposal

EXPECTED FEES

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we will obtain your agreement on fees before commencing work, so there are no surprises or hidden fees.

We propose the following fees based on our understanding of the scope of work and the level of involvement of the City's staff:

Fixed-Price Engagement Services and Fees

Professional Services	2023	2024	2025	2026	2027
Financial Statement Audit	$70,500	$75,788	$81,472	$87,582	$94,151
Single Audit (assumes two major programs)	18,000	19,350	20,801	22,361	24,038
Agreed-Upon Procedures - GANN	1,300	1,398	1,503	1,616	1,737
Housing Authority Audit Report	10,000	10,750	11,556	12,423	13,355
City of Palmdale Civic Authority Audit Report	7,500	8,063	8,668	9,318	10,017
City of Palmdale Financing Authority Audit Report	9,000	9,675	10,401	11,181	12,020
City of Palmdale Community Foundation Audit Report	6,500	6,988	7,512	8,075	8,681
Assessment & Community Facility Districts Audit Reports	36,000	38,700	41,603	44,723	48,077
Annual Development Impact Fees Report	5,500	5,913	6,356	6,833	7,345
Total Fees	**$164,300**	**$176,625**	**$189,872**	**$204,112**	**$219,421**

Engagement Rates

Staff Level	2023
Partner	$ 350/ hr.
Senior Manager/Manager	$ 265/ hr.
Senior Associate	$ 165/ hr.
Associate	$ 125/ hr.
Admin Staff	$ 75 / hr.

Level of Staffing and Number of Hours

Below is our proposed level of staffing and estimated hours for the audit.

	Partner	Manager	Senior	Staff	Other	Total
Planning	8	14	32	38	2	94
Single Audit/Interim	24	42	98	113	6	283
Fieldwork	34	63	148	169	9	423
Exit Conference/Reporting	12	21	48	56	3	140
Total	**78**	**140**	**326**	**376**	**20**	**940**

Out-of-Pocket Fees

As the City has experienced in the past, our team strives for balance between working remotely and on-site, performing the audit efficiently while keeping the amount of hours needed by City personnel to a minimum. Our fees will be inclusive of out-of-pockets costs if we are able to utilize a hybrid approach as in the past.

Billing Policy Regarding Telephone Inquiries

We know clients appreciate access to all their service team members. We embrace this opportunity for constant communication and will ensure our team members are available when you have questions and issues. This service is included in the scope of the engagement. If a particular issue surfaces that falls outside the scope of this engagement, we'll bring it to your attention and obtain approval before proceeding.

Manner of Payment

Invoices are presented as the work progresses, with an initial invoice at the completion of the interim fieldwork, a second invoice at the completion of fieldwork and a final invoice following issuance of the audit report.

Future Year Pricing Guarantees

Our fee increases for future years are consistent with inflationary increases in the industry. Should inflationary increases be greater than 7.5%, we will discuss the fee increase with the City prior to commencing work. They are contingent upon no major changes to the City, and that significant accounting and auditing rule changes and procedures remain consistent with current requirements. Fees do not include additional time that could be incurred due to changes to the scope of the engagement.

The Contract Price is CONSULTANT'S estimate of its charges for all of the services, including all labor, equipment, material, subcontractor and reimbursable costs, to be provided under this Agreement. Progress payments shall be made on a time and material basis. Final payment shall be made upon completion of all services and City acceptance of all deliverables, not-to-exceed the Contract Price.

9.2 CONSULTANT shall perform no work in excess of the total contract price without prior written approval of CITY. Total contract price includes expenses related to travel to and from CITY to meet with City and to appear, if so required, before City Council or any other board or commission of CITY.

9.3 CONSULTANT shall maintain adequate records and shall permit inspection and audit by CITY of CONSULTANT's charges under this Contract. CONSULTANT shall make such records available to CITY during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records, and

they will be available only to CITY and any specified public agencies. Such records shall be maintained by CONSULTANT for five (5) years following completion of the work under this Contract unless a longer period of time is required by state or federal law, in which event CONSULTANT shall retain its records for the time required by such laws.

9.4 No payment made hereunder by CITY to CONSULTANT, shall be construed as an acceptance by CITY of any work or materials, nor as evidence of satisfactory performance by CONSULTANT of its obligations under this Contract.

10 INDEMNIFICATION

To the fullest extent permitted by law, CONSULTANT and any contractors or subcontractors working on its behalf agree to indemnify CITY, its officers, employees, agents and elected and appointed boards (hereinafter "Indemnified Parties") for any loss, claim, demand, cause of action, cost, expense, damage, obligation or liability which arises out of or is in any way connected with the performance of any work under this agreement, including any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of CONSULTANT, its contractors or subcontractors. CONSULTANT shall ensure that the contract of any contractor or subcontractor working under this agreement contain an indemnity agreement, requiring the contractor or subcontractor to indemnify and defend the Indemnified Parties pursuant the terms set forth above. CONSULTANT shall indemnify the Indemnified Parties, and save it harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of any breach of the aforesaid obligations and covenants, and any other provision or covenant of this agreement.

11 INSURANCE

11.1 CONSULTANT, at its expense, shall maintain in effect at all times during the performance of work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers listed "A" or better in the Best's Insurance Guide and authorized to do business in the State of California. **Proof of Insurance, as identified in Section 11.8, must be reviewed and accepted by the City Attorney**.

11.1.1 Workers' Compensation and Employer's Liability

- Workers' Compensation—coverage as required by the State of California
- Employer's Liability:
  $1,000,000.00 each accident
  $1,000,000.00 policy limit bodily injury
  $1,000,000.00 each employee bodily injury by disease

11.1.2 Professional Liability (Errors & Omissions) Insurance*

- $2,000,000 limit on a per occurrence basis

11.1.3 Commercial General Liability

- $1,000,000.00 limit on a per occurrence basis
- $2,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

- $1,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.1.5 Cyber Liability

-$1,000,000 limit on a per occurrence basis

11.2 All of CONSULTANT's policies other than professional liability and cyber shall contain an endorsement providing that written notice shall be given to CITY at least thirty- (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

11.3 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the City as an additional insured, in the same manner as the named insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the City, and any other insurance maintained by the City shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The certificate and endorsements shall state: "The City of Palmdale, the Successor Agency of the Community Redevelopment Agency of the City of Palmdale, Palmdale Civic Authority, Industrial Development Authority of the City of Palmdale, Palmdale Airport Authority, their officers, agents, employees and volunteers are named as additional insured's."

B. "Severability of Interest" clause.

11.4 Promptly on execution of this Contract, and prior to commencement of any work, CONSULTANT shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that CONSULTANT has the required coverage and showing the required named insureds.

11.5 The requirements as to the types and limits of insurance to be maintained by CONSULTANT are not intended to and shall not in any manner limit or qualify CONSULTANT's liabilities and obligations under this Contract.

11.6 Any policy or policies of insurance that CONSULTANT elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against CITY.

11.7 All insurance coverage must be maintained throughout the duration of this Contract.

11.8 Acceptable Proof of Insurance:

11.8.1 ACORD Certificate of Insurance listing all coverages, limits, and insureds; and endorsements for all applicable coverages if agent has authority to issue it; Additional insured Form CG20101185 or CG20100707 and CG20370704 or equivalent must be provided for general liability coverage. Additional insured form CA0001 must be provided for automobile liability coverage.

11.8.2 Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements listing all insurers must be submitted to the City Attorney.

11.8.3 *When professional (E&O) liability and/or cyber liability coverage is provided on a “claims made basis”, CONSULTANT will continue to renew the insurance for a period of five (5) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT, or its officers, employees, or agents during the time this Agreement was in effect.

11.9 Notwithstanding any other provision of this Contract, CITY may immediately terminate this Contract if, at any time CONSULTANT fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

11.10 CONTRACTOR shall require any and all subcontractor's working on its behalf to provide insurance coverages and limits that are based on the scope of work and nature of risk being performed by the subcontractor. Any and all subcontractors working on behalf of CONTRACTOR shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONTRACTOR's sole risk. CONTRACTOR's insurance requirements in Section 11 will not be impacted and/or limited by such deviation.

12 TERMINATION WITHOUT CAUSE

CITY reserves the right to terminate this Contract or any part thereof for its sole convenience with fifteen (15) days written notice. In the event of such termination, CONSULTANT shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and sub-consultants to cease such work. CONSULTANT shall also surrender to CITY all finished or unfinished documents or programs and other materials, which shall be City’s property. As compensation in full for services

performed to the date of such termination, the CONSULTANT shall receive an amount equal to the value of the work completed as of the termination date in accordance with the fee schedule or as negotiated between the parties. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Contract.

13 TERMINATION FOR CAUSE

13.1 If the City determines that the CONSULTANT has failed to supply an adequate working force, or to provide services of proper quality, or has failed in any other respect to satisfactorily perform the services specified in this Contract, the City shall give written notice to the CONSULTANT specifying all defaults to be remedied within thirty (30) days. Such notice shall set forth the basis for the City's dissatisfaction and suggest corrective measures. If, after thirty days, the CONSULTANT has failed to implement the corrective measures, the City may elect to terminate this Contract, in whole or in part.

13.2 In the event the City terminates this Contract in whole or in part as provided herein above, the City may procure, upon such terms and in such manner, as it may deem appropriate, services similar to those terminated.

13.3 If this Contract is terminated as provided above, the City may require the CONSULTANT to provide all finished or unfinished documents, data, studies, software, drawings, maps, photographs, reports, etc., prepared by the CONSULTANT. Upon such termination, the CONSULTANT shall be paid an amount equal to the value of the services provided and work performed as of the date of termination. Such payment by the City may take into consideration the costs associated with hiring another CONSULTANT to complete the services. In the event no new CONSULTANT is employed, the CONSULTANT shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete documents when such are delivered to CITY, and to authorized reimbursement expenses.

The above is in addition to any other remedies available by law or equity to the City.

13.4 If, after notice of termination of the Contract under the provisions of this Section 13, it is determined, for any reason, that CONSULTANT was not in default, or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 12.

14 DISPUTE RESOLUTION

All claims, disputes, and other matters in question between CITY and CONSULTANT arising out of, or relating to this Contract, or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

15 OWNERSHIP OF DOCUMENTS

All documents, including, but not limited to, research, field notes, investigations, analysis, and studies which are prepared by CONSULTANT specifically for and required to be delivered to CITY in the performance of this Contract are to be, and remain the property of CITY. CONSULTANT shall furnish CITY, upon its request, originals or reproducible or electronic copies of reports, studies and of all other documents listed above.

16 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

16.1 CONSULTANT shall not delegate, subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY; provided, however, that claims for money due or to become due to CONSULTANT from CITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Any proposed delegation, assignment or subcontract shall provide a description of the services covered, identification of the proposed assignee, delegates or subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegates or subcontractor shall include the following:

A. The amount involved, together with CONSULTANT's analysis of such cost or price; and

B. A provision requiring that any subsequent modification or amendment shall be subject to the prior written consent of CITY.

C. The requirement to hire only those persons authorized by federal law to work in the United States.

16.2 Any assignment, delegation or subcontract shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegates and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to CONSULTANT under this Contract.

17 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

17.1 In performance of this Contract, CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation, or age. CONSULTANT will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation or age. Affirmative action relating to

employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

17.2 The provisions of subsection 17.1 above shall be included in all solicitations or advertisements placed by or on behalf of CONSULTANT for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of CONSULTANT and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

18 FINANCIAL INTEREST CERTIFICATION

18.1 CONSULTANT warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no officer or employee of the CITY has any interest, financially or otherwise, in CONSULTANT's firm.

18.2 For breach or violation of this warranty, CITY shall have the right to annul this Contract without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

19 CONFLICT OF INTEREST

19.1 CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract or which would cause CONSULTANT to be "financial interested" (as provided in California Government Code Section 1090 et seq. or 87100 et seq.) in any contract or decision made by CITY on any matter.

19.2 CONSULTANT shall not employ any City official or employee to perform any work required pursuant to this Contract.

19.3 If CONSULTANT is a registered professional engineer or licensed land surveyor and the scope of work requires CONSULTANT'S recommendation of the actual formula to spread the costs of an assessment district's improvements, then CONSULTANT shall not participate in making that recommendation if the additional elements set forth in Government Code section 87100.1(c) apply. Those additional elements are: (1) CONSULTANT has received income of $250 or more for professional services in connection with any parcel included in the benefit assessment district within 12 months prior to the creation of the district; and (2) the

district includes other parcels in addition to those parcels for which CONSULTANT received the income. In the event a conflict of interest does arise in that context, City shall select a different CONSULTANT to recommend the actual formula to spread the costs of the assessment district's improvements and the costs of such services shall be deducted from the compensation to be paid to CONSULTANT.

19.4 To the extent required by the City Manager/designee, CONSULTANT shall complete and file with the City Clerk a Form 700 Statement of Economic Interests disclosing any reportable property interests, income, gifts, investments, or business positions.

20 COMPLIANCE WITH LAW

20.1 CONSULTANT shall comply with all state and federal laws, including but not limited to, the requirement to hire only those persons authorized by federal law to work in the United States. If CONSULTANT uses any subcontractors to complete this Contract, this same requirement shall be included in all subcontracts and strictly enforced by CONSULTANT.

20.2 The law of the state of California shall govern this Contract. The venue of any legal action, either formal or informal, shall be the County of Los Angeles.

21 NOTICES

Any notice required under this Contract shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

22 ENTIRE CONTRACT AND AMENDMENTS

22.1 This Contract is the complete agreement between the parties and supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

22.2 No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by CONSULTANT hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

22.3 The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

23 ATTORNEY'S FEES

If any action at law or in equity is brought to enforce or interpret any provisions of this Contract, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

Ronda Perez
Signed: 5/8/2023

RONDA PEREZ
CITY MANAGER

JS
Signed: 4/25/2023

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 SIERRA HIGHWAY SUITE D
Palmdale, CA 93550

EIDE BAILLY, LLP.:

Jessica Andersen
Signed: 4/25/2023

JESSICA ANDERSEN
PARTNER

ADDRESS FOR NOTICE:
EIDE BAILLY, LLP.
10681 FOOTHILL BLVD
RANCHO CUCAMONGA, CA 91730

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 4/25/2023

William P. Curley, III
Interim City Attorney

ATTEST:

Roxanne Faber
Signed: 5/8/2023

Roxanne Faber
Acting City Clerk

---------- INTERNAL USE ONLY ----------

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
■Attached Agreement Checklist and met all requirements

Record of Signing

For
Name
Title



Signed on 2023-04-25 00:59:53 GMT

Secured by Concord™
DocumentID: N2U2NWE0MzktYT
SigningID: ZTA3MzU1YzYtOG
Signing date: 4/25/2023
IP Address: 206.171.111.149
Email: jsamson@cityofpalmdale.org

For
Name
Title



Signed on 2023-04-25 02:38:22 GMT

Secured by Concord™
DocumentID: N2U2NWE0MzktYT
SigningID: MTIwZmUwNWItYm
Signing date: 4/25/2023
IP Address: 174.196.133.187
Email: jandersen@eidebailly.com

For
Name
Title



Signed on 2023-04-25 03:01:58 GMT

Secured by Concord™
DocumentID: N2U2NWE0MzktYT
SigningID: NTM1YjFkODktOG
Signing date: 4/25/2023
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

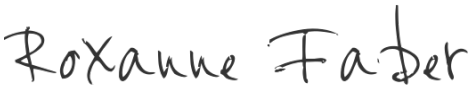
For
Name
Title



Signed on 2023-05-08 17:32:01 GMT

Secured by Concord™
DocumentID: N2U2NWE0MzktYT
SigningID: N2E4N2M1ZjMtMj
Signing date: 5/8/2023
IP Address: 206.171.111.149
Email: rperez@cityofpalmdale.org

For
Name
Title



Signed on 2023-05-08 21:44:45 GMT

Secured by Concord™
DocumentID: N2U2NWE0MzktYT
SigningID: MzE5YjZkMGItZW
Signing date: 5/8/2023
IP Address: 206.171.111.149
Email: rfaber@cityofpalmdale.org

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City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
COMMUNICATIONS DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE AGREEMENT WITH ADVANTAGE MAILING LLC FOR THE PRINTING, BINDING, AND BUNDLING OF THE PALMDALE MAGAZINE, FOR A NOT TO EXCEED AMOUNT OF $360,000, FOR A THREE-YEAR TERM WITH THE OPTION TO EXTEND TWO ADDITIONAL ONE-YEAR TERMS**

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Agreement No. A-9272 with Advantage Mailing LLC for the printing, binding, and bundling of the Palmdale magazine, for a not to exceed amount of $360,000, for a three-year term with the option to extend two additional one-year terms; and,

2. Authorize the City Manager Pro Tem or his designee to execute Agreement No. A-9272 with Advantage Mailing LLC, including minimal and/or non-substantial changes.

BACKGROUND

The Palmdale: News, Activities and Entertainment magazine is an essential communications tool published three times annually, with a contingency special edition in the event of a major initiative, designed to keep residents, businesses, and partners informed of city news, events, services, and recreational opportunities. The magazine is distributed to households across zip codes 93550, 93551, 93552, and 93591.

DISCUSSION

A Request for Proposals (RFP No. 25-001-1700) was published on March 18, 2025, seeking qualified vendors to provide printing, binding, and bundling services. The scope of work required high-quality full-color production on 70 lb. gloss stock, saddle-stitched binding, and precise delivery coordination with the City's mailing partner. The term

outlined includes production of three annual issues (Fall, Winter/Spring, Summer), with flexibility for one special edition and renewal options. Two proposals were received by the April 17, 2025, deadline.

After reviewing all proposals based on quality, technical ability, completeness, and price, Advantage Mailing LLC was chosen as the best and most cost-effective option.

Advantage Mailing has proposed a cost of $34,575.65 per issue for the 2025–26 fiscal year, with modest price increases projected over the subsequent two years. The vendor has a proven track record of delivering high-quality work on time for the City. Given their competitive pricing and demonstrated reliability, Advantage Mailing emerged as the clear and preferred choice for this contract.

FISCAL IMPACT

$360,000; A total of $360,000 is budgeted in the Contract Services-Magazine account. For Fiscal Year 2025-26, the cost for three issues is $103,726.95. Estimated costs for the following years are $106,806.06 (2026-27) and $108,938.52 (2027-28). These amounts may change due to market conditions and paper availability.

STRATEGIC PLAN

Goal I: Maintain effective public safety and protection for life, property, and the environment.

> C. Use a variety of methods to communicate timely, useful, and trusted information about city programs, services, and policies.

Prepared by:	Sara Gallagher, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Agrmt No. A-9272 with Advantage Mailing LLC

AGREEMENT NO. A-9272
CONTRACT FOR SERVICES
BETWEEN THE CITY OF PALMDALE AND ADVANTAGE MAILING LLC

This CONTRACT for services ("Contract" herein) is made and entered into by and between the City of Palmdale, a public body corporate and politic, (hereinafter called "CITY"), and ADVANTAGE MAILING LLC, a CONTRACTOR, (hereinafter called "CONTRACTOR"). This Contract shall become effective on the date of the last signatory.

RECITALS

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in this Contract.

NOW THEREFORE, CITY and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1 CITY PROJECT MANAGER

To provide the services required by this Contract, CONTRACTOR shall act under the authority and approval of Communications Manager Director/designee, who shall oversee this Contract, the work performed by CONTRACTOR, assist CONTRACTOR with any necessary information, audit billings, and approve payments. The CONTRACTOR shall channel all contacts and requests through the City project manager.

2 DESCRIPTION OF WORK

2.1 CONTRACTOR shall provide the following services in a manner satisfactory to CITY:

It is understood that except as otherwise specifically stated in the contract, the CONTRACTOR shall provide and pay for all materials, labor, tools, equipment, transportation and all other services and facilities of every nature whatsoever, necessary to execute, complete and deliver the work within the specified time. CONTRACTOR will be responsible for the full scope of services appropriate to a project of this nature, including but not exclusive to the items enumerated herein. Proposal pricing should reflect, without limitation, all such services required for the proper completion of the work.

A. Magazine Quality and Specifications
a. Page count: 52 pages, self-cover
b. Paper Stock: 70 lb., White, Gloss text, coated on two sides
c. Finished Size: 8-1/4" x 10-3/4"
d. Prints: (4/4) 4 over 4, full-color process

e. Bleeds: Full bleed, on all sides
f. Coating: N/A
g. Binding: Fold, collate, saddle stitched, bind and trim
h. Artwork: Will be created on the Macintosh platform in InDesign and can be supplied as native InDesign file(s) with placed images, or as a press-quality PDF
i. Printing Method: Web press or sheet-fed
j. Over/Under: Should not exceed 2% of the quantity ordered

Note: No paper substitutions will be considered

B. Proofs and Printing Press Check
a. Proofs provided by the CONTRACTOR are to have accurate color, folded and trimmed Blueline (or similar) for pagination. Crossovers, bleeds, etc., must be approved by City Communications Manager before printing. Proofs can be either delivered or mailed overnight to the City (cost to mail proofs to the City are the CONTRACTOR'S). Proofs will be returned to the CONTRACTOR via FedEx mail within two (2) business days (City will pay costs for returning proofs to the CONTRACTOR).
b. A printing press check will be required before the print run takes place. A printing press check with the designated City employee being present is preferred (if travel is limited to within an hour drive of the City of Palmdale). However, if this is not possible, the CONTRACTOR'S representative must conduct the printing press check to ensure quality and that the final printed piece matches exactly with the signed off proofs, and ensure the color matches the supplied color proofs supplied by the City, including accurate color pagination, and that all changes requested during the proofing process are made and placed correctly in the magazine.

C. Quantity and Delivery Schedule
CONTRACTOR shall produce approximately 55,000 copies for each issue of the Palmdale Magazine (Fall, Winter/Spring, and Summer) annually for 2025, 2026, and 2027. All magazines shall be packaged in boxes of 50.

Deliveries shall be made as follows:

Primary shipment to: Minuteman Press, 331 East Avenue K-4, Lancaster, CA 93535 (approximately 52,000 copies for direct mail).

500 copies to: City Hall, 38300 Sierra Highway, Suite A, Palmdale, CA 93550

Remaining copies to: City of Palmdale Recreation & Culture Department, 827 East Avenue Q-9, Palmdale, CA 93550

Special Edition (If Needed): CONTRACTOR shall produce an additional run of approximately 55,000 magazines on an as-needed basis, with identical packaging

and delivery requirements. Production and delivery deadlines for the special edition will be determined at the time of order.

2.2 CONTRACTOR shall have no claim for compensation for any services or work, which has not been authorized by CITY's Authorization to Proceed.

2.3 CONTRACTOR shall not accept any change of scope, or change in contract provisions, to this Contract unless issued in writing, as a contract change order or amendment and signed by CITY. Any extensions of time must be mutually agreed upon in writing and executed by both parties.

2.4 CONTRACTOR shall maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by the CONTRACTOR as applicable to this contract.

2.5 All work supplied under this Contract shall be fully guaranteed by CONTRACTOR for a minimum period of 1095 days from the date of acceptance by CITY. Any defects of design, workmanship, or materials that would result in non-compliance with the Contract specifications shall be fully corrected by CONTRACTOR (including parts and labor) without cost to CITY. The written warranty shall be included with the delivered products to the using Department.

2.6 CITY shall provide to CONTRACTOR, without charge, all data, program information, including reports, records, maps, and other information, now in CITY's possession, which may facilitate the timely performance of the work.

3 CONTRACTOR'S KEY PERSONNEL

3.1 **Key Staff.** CITY reserves the right to review and approve CONTRACTOR'S staff including all subcontractors to be assigned to any project by CONTRACTOR during the term of this Contract.

This Contract has been awarded to CONTRACTOR based partially on the key personnel proposed to perform the services required herein. CONTRACTOR shall not change nor substitute any of these key staff for work on this Contract without prior written approval by CITY.

CONTRACTOR's Team and Key Personnel are as follows:

Scott Ogle - Account Manager
Tom Ling - Managing Member

This Services Contract has been awarded to CONTRACTOR based on its representation that those personnel and subcontractors submitted as part of its bid and listed above will perform the portions of the work listed above.

CONTRACTOR shall not deviate nor substitute any of these team members without prior written approval by CITY.

3.2 **Subcontractors.** During the performance of the Agreement, CONTRACTOR may engage such additional SUBCONTRACTORS as may be required for the timely completion of this Agreement. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Agreement rests with CONTRACTOR.

CONTRACTOR shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of CITY. The subcontract shall incorporate by reference the terms and conditions of this Contract.

3.3 **Direct Responsibility.** All services required under this Contract shall be performed by CONTRACTOR, or under CONTRACTOR's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services.

3.3.1 CONTRACTOR shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Contract, and compliance with all reasonable performance standards established by CITY.

3.3.2 CONTRACTOR shall be responsible for payment of all CONTRACTOR's employees' and subcontractor's wages and benefits and shall comply with all requirements pertaining to the employer's liability, workers' compensation, unemployment insurance, and Social Security.

3.3.3 CONTRACTOR shall indemnify and hold harmless CITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from CONTRACTOR's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

4 CONTRACT TERM

The term of this Contract is THREE (3) YEARS, commencing on the effective date, with CITY reserving the option to extend the agreement for TWO additional terms of one year each.

5 ACCEPTANCE AND DOCUMENTATION

Each task shall be reviewed and approved by the Contract Project Manager to determine acceptable completion.

5.1 **Records**. The CONTRACTOR shall retain and shall contractually require each SUBCONTRACTOR to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.

5.2 **Property of CITY.** All materials, including reports, computer programs and other deliverables, supplied or created under this Contract are the sole property of CITY. CONTRACTOR is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. CONTRACTOR shall not use or release these materials without the prior written consent of CITY.

5.3 **Products.** All equipment, materials, parts, and other components incorporated in the work or services performed pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended. All work shall be performed in a skilled and workmanlike manner.

6 PRICE

CITY shall pay to CONTRACTOR an amount not to exceed THREE HUNDRED SIXTY THOUSAND dollars ($360000) for the completion of all the work and services described in Section 2, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as follows:

See Cost Proposal, item 1 attached.

6.1 An application for payment form must be submitted to CITY which shall include the following: a clear, detailed invoice reflecting work being billed for, a summary sheet showing percentage of work completed to date, amount/percent billed to date and current status of all tasks within a project; any/all backup documentation supporting the above items. Work schedule updates must also be included with the payment requests.

6.2 CONTRACTOR shall maintain adequate records and shall permit inspection and audit by CITY of CONTRACTOR’s charges under this Contract. CONTRACTOR shall make such records available to CITY during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records, and they will be available only to CITY and any specified public agencies. Such records shall be maintained by CONTRACTOR for one (1) year following completion of the work under this Contract unless a longer period of time is required by state or federal law, in which event CONTRACTOR shall retain its records for the time required by such laws.

6.3 **Payment.** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or completion of specified services and receipt of a correct invoice.

7 TAXES

7.1 CONTRACTOR shall pay all sales, consumer, use, and other similar taxes required to be paid by CONTRACTOR in accordance with state and local laws.

7.2 CONTRACTOR is an independent contractor and shall have no power or authority to incur any debt, obligation, or liability on behalf of CITY. No person employed by CONTRACTOR or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of CITY.

7.3 CONTRACTOR shall be required to obtain a current City of Palmdale business license, as required by the Palmdale Municipal Code, before an Authorization to Proceed is issued.

7.4 When equipment, materials or supplies generally taxable to CONTRACTOR are eligible for a tax exemption due to the nature of the work, CONTRACTOR shall assist the City in applying for and obtaining such tax credits and exemptions, which shall be paid or credited to the City.

8 PATENT FEES AND ROYALTIES

CONTRACTOR shall pay all license fees and royalties and assume all costs incident to the use, in the performance of the work or the incorporation in the work of any invention, design, process, program, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, program, product or device is specified in the contract documents for use in the performance of the work and if, to the actual knowledge of CITY, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by CITY in the contract documents. CONTRACTOR shall indemnify and hold harmless CITY and anyone directly or indirectly employed by CITY from and against all claims, damages, losses and expenses (including attorneys' fees) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the work, or resulting from the incorporation in the work of any invention, design, process, program, product or device not specified in the contract documents, and shall defend all such claims in connection with any alleged infringement of such rights.

9 INDEMNIFICATION

To the fullest extent permitted by law, CONTRACTOR and any subcontractors working on its behalf agree to indemnify CITY, its officers, employees, agents and elected and appointed boards (hereinafter “Indemnified Parties”) for any loss, claim, demand, cause of action, cost, expense, damage, obligation or liability which arises out of or is in any way connected with the performance of any work under this agreement, including any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of CONTRACTOR, or its subcontractors, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, CONTRACTOR and, as applicable, any subcontractors working on its behalf, shall defend any suit, claim or action against the Indemnified Parties founded upon such loss, claim, demand, cause of action, cost, expense, damage, obligation or liability. CONTRACTOR shall

ensure that the contract of any subcontractor working under this agreement contain an indemnity agreement, requiring the subcontractor to indemnify and defend the Indemnified Parties pursuant the terms set forth above. CONTRACTOR shall indemnify the Indemnified Parties, and save it harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of any breach of the aforesaid obligations and covenants, and any other provision or covenant of this agreement.

10 INSURANCE

10.1 CONTRACTOR, at its expense, shall maintain in effect at all times during the performance of work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers listed “A” or better in the Best’s Insurance Guide and authorized to do business in the State of California. **Proof of Insurance, as identified in Section 10.8, must be reviewed and accepted by the City Attorney**.

10.1.1 Workers’ Compensation and Employer’s Liability

- Workers’ Compensation -- coverage as required by the State of California
- Employer’s Liability
  $1,000,000 each accident
  $1,000,000.00 policy limit bodily injury
  $1,000,000.00 each employee bodily injury by disease

10.1.2 Commercial General Liability

- $1,000,000.00 limit on a per occurrence basis
- $2,000,000.00 general aggregate limit

10.1.3 Commercial Automobile Liability

- $1,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

10.2 All of CONTRACTOR’s policies shall contain an endorsement providing that written notice shall be given to CITY at least thirty (30) calendar days prior to termination, cancellation, or reduction of coverage in the policy.

10.3 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the City as an additional insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the City, and any other insurance maintained by the City shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The certificates shall state: “The City of Palmdale, Successor Agency to the Community Redevelopment Agency of the City of Palmdale, Palmdale Civic Authority, Housing Authority, Industrial Development Authority,

Airport Authority, their officers, agents, employees and volunteers are named as additional insured".

B. "Severability of Interest" Clause.

10.4 Promptly upon execution of this Contract, and prior to commencement of any work, CONTRACTOR shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that CONTRACTOR has the required coverage and showing the required named insured. Within five (5) days of written request from CITY, CONTRACTOR shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

10.5 The requirements as to the types and limits of insurance to be maintained by CONTRACTOR are not intended to and shall not in any manner limit or qualify CONTRACTOR's liabilities and obligations under this Contract.

10.6 Any policy or policies of insurance that CONTRACTOR elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against CITY.

10.7 All insurance coverage must be maintained throughout the duration of this Contract.

10.8 Acceptable Proof of Insurance:

10.8.1 ACORD Certificate of Insurance listing all coverage, limits, deductibles and insured; and endorsements for all applicable coverage if agent has authority to issue it; or additional insured Form CG20100704 and CG20370704 or equivalent must be provided for general liability coverage. Additional insured form CA0001 must be provided for automobile liability coverage.

10.8.2 Binders of insurance for all coverage. Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements and a corresponding Certificate of Insurance listing all insurers and coverage must be submitted to the City Attorney.

10.9 Notwithstanding any other provision of this Contract, CITY may immediately terminate this Contract if, at any time CONTRACTOR fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

10.10 CONTRACTOR shall require any and all subcontractors working on its behalf to provide insurance coverages and limits that are based on the scope of work and nature of risk being performed by the subcontractor. Any and all subcontractors working on behalf of CONTRACTOR shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONTRACTOR's sole risk. CONTRACTOR's insurance requirements in Section 10 will not be impacted and/or limited by such deviation.

11 TERMINATION WITHOUT CAUSE

City reserves the right to terminate this Contract or any part thereof for its sole convenience with fifteen (15) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subcontractors to cease such work. CONTRACTOR shall also surrender to CITY all finished or unfinished documents, processes, programs and other supplies and materials, which shall be City's property. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive an amount equal to the value of the work completed as of the termination date in accordance with the fee schedule or as negotiated between the parties. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Contract.

12 TERMINATION FOR CAUSE

If CITY determines that CONTRACTOR has failed to supply an adequate working force, or to provide services of proper quality, or has failed in any other respect to satisfactorily perform the services specified in this Contract, CITY shall give written notice to CONTRACTOR specifying all defaults to be remedied within thirty (30) days. Such notice shall set forth the basis for CITY's dissatisfaction and suggest corrective measures. If, after thirty days, CONTRACTOR has failed to implement appropriate corrective measures, CITY may elect to terminate this Contract in whole or in part.

12.1 In the event CITY terminates this Contract, in whole or in part, for cause, CITY may procure, upon such terms and in such manner, as it may deem appropriate, services similar to those terminated.

12.2 CONTRACTOR shall provide all finished or unfinished documents, data, studies, software, drawings, programs, processes, maps, photographs, reports, etc., prepared by CONTRACTOR within fifteen (15) working days after notice of termination. Upon such termination, CONTRACTOR shall be paid an amount equal to the value of the services provided and work performed as of the date of termination, taking into consideration the costs associated with hiring another CONTRACTOR to complete the services. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete documents when such are delivered to CITY, and to authorized reimbursement expenses. The above is in addition to any other remedies available by law or equity to CITY.

12.3 If, after notice of termination of the Contract under the provisions of this Section 12, it is determined, for any reason, that CONTRACTOR was not in default,

or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 11.

13 DISPUTE RESOLUTION

All claims, disputes, and other matters in question between CITY and CONTRACTOR arising out of or relating to this Contract or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

14 OWNERSHIP OF PRODUCT

All product, data, documents, programs and software including, but not limited to, research, field notes, investigations, analysis, studies, processes, software, instructions for use and other manuals, whether complete or incomplete, which are prepared or produced in the performance of this Contract are to be, and remain the property of CITY and shall be delivered to or left with CITY upon the completion or termination of this Agreement. CONTRACTOR shall furnish CITY, upon its request, originals and reproducible and electronic copies of product, data reports, studies and of all other documents listed above. Electronic copies shall be provided in an unprotected format which allows CITY to copy, reproduce and makes changes as CITY deems necessary.

15 DELEGATION AND ASSIGNMENT

15.1 CONTRACTOR shall not delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY; provided, however, that claims for money due or to become due to CONTRACTOR from CITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval.

15.2 Any assignment, delegation or subcontract shall be made in the name of CONTRACTOR and shall not bind or purport to bind CITY and shall not release CONTRACTOR from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegates and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to CONTRACTOR under this Contract.

16 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

16.1 In performance of this Contract, CONTRACTOR shall not discriminate against any employee, subcontractor, or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, age, gender, gender identity, gender expression, genetic information, or military and veteran status. CONTRACTOR will take affirmative action to ensure that applicants are employed,

and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, age, gender, gender identity, gender expression, genetic information, or military and veteran status . Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

16.2 The provisions of subsection 16.1 above shall be included in all solicitations or advertisements placed by or on behalf of CONTRACTOR for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of CONTRACTOR and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

17 FINANCIAL INTEREST CERTIFICATION

17.1 CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no officer or employee of the CITY has any interest, financially or otherwise, in CONTRACTOR's firm.

17.2 For breach or violation of this warranty, CITY shall have the right to annul this Contract without liability or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

18 CONFLICT OF INTEREST

18.1 CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract or which would cause CONTRACTOR to be "financial interested" (as provided in California Government Code Section 1090 et seq. or 87100 et seq.) in any contract or decision made by CITY on any matter.

18.2 CONTRACTOR shall not employ any City official or employee to perform any work required pursuant to this Contract.

18.3 To the extent required by the City Manager or his designee, CONTRACTOR shall complete and file with the City Clerk a Form 700 Statement of Economic

Interests disclosing any reportable property interests, income, gifts, investments, or business positions.

19 COMPLIANCE WITH LAW

19.1 CONTRACTOR shall comply with all state and federal laws, including but not limited to, the requirement to hire only those persons authorized by federal law to work in the United States. If CONTRACTOR uses any subcontractors to complete this Contract, this same requirement shall be included in all subcontracts and strictly enforced by CONTRACTOR.

19.2 The law of the state of California shall govern this Contract. The venue of any legal action, either formal or informal, shall be the County of Los Angeles.

19.3 If applicable, CONTRACTOR acknowledges and understands it must comply with the prevailing wage requirements as set forth in Exhibit “A” attached hereto and incorporated herein by reference, as well as the execution of a Worker’s Compensation Certificate attached hereto as Exhibit “B” and incorporated herein by reference.

20 NOTICES

Any notice required under this Contract shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

21 ENTIRE AGREEMENT AND AMENDMENTS

21.1 This Contract is the complete Agreement between the parties and supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

21.2 No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by CONTRACTOR hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

21.3 The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party’s right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

22 ATTORNEY'S FEES

If any action at law or in equity is brought to enforce or interpret any provisions of this Contract, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

SIGNATURE AREA

Salvador Mendez
City Manager Pro Tem

SIGNATURE AREA

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Highway, Suite A
Palmdale, CA 93550

APPROVE AS TO FORM:

SIGNATURE AREA

Alexandra M. Halfman
Acting City Attorney

ATTEST:

SIGNATURE AREA

Roxanne Faber
City Clerk

ADVANTAGE MAILING LLC:

SIGNATURE AREA

Tom Ling
Managing Member

ADDRESS FOR NOTICE:
ADVANTAGE MAILING LLC
1600 N. Kraemer Blvd.
Anaheim, CA 92806

---------- INTERNAL USE ONLY ----------

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
□Attached Agreement Checklist and met all requirements

Advantage ColorGraphics
PRINTING • MAILING • MARKETING
1600 N. Kraemer Blvd.
Anaheim, CA 92806
Phone: (714) 538-3881 · Fax: (714) 632-8534

Proposal

City of Palmdale
38300 Sierra Highway
Suite D
Pamdale, CA 93550
Ph: 661.267.5100 ***Fax:***

Proposal 280607..01r
Date April 7, 2025

Project
Palmdale Magazine - 2025 - 2026
Art & List Supplied -
52 pg self
Prt - 4/4, 4cp / Same on 70# Gloss Book
Saddle Stitch to 8.25 x 10.75
52,000 = Bundle Tie in 50's w/ EDDM Slips - FOB: Lancaster, CA 93535
Balance Carton Pack Conv - FOB: Palmdale, CA 93550

Postage NOT INCLUDED

Note: Paper is Based on Current Costing and is Subject to Allocation, Mill Manufacturing Date BUT Paper Availability is NOT GUARENTEED
ESTIMATOR : Allison Nelson

Quantity of 55,000

Services	***Quantity***	***Setup***	***Rate***	***per***	***Price***
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$171.00	/m	$9,404.95
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$165.21	/m	$9,086.38
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$165.21	/m	$9,086.38
Printing - **Prt 4 pg Txt 4/4 on M600	55,000		$67.83	/m	$3,730.63
Printing - **Bindery	1				$2,241.31
Packaging-Hand Bundle	52,000		$8.00	/m	$416.00
Bundle Tie in 50's	1				
Deliver to Customer 93535	1		$610.00	ea	$610.00

Total Cost for Services **$34,575.65**

Total Estimated Project Cost 55,000 ***Unit Price:*** $0.6286 **$34,575.65**

Quotation SUBJECT to re-quote upon receipt of customer artwork, film or mail piece. Postage MUST be received prior to drop. Actual postage may vary from estimate.

Due to market conditions the paper prices included in this quotation are based on current prices and are subject to adjustment and availability at the time the paper stock is shipped from the mill. Any price increase will be reflected with an adjustment to this proposal or on the invoice rendered to you. **Over/under run of 5%** shall constitute an acceptable delivery and be billed accordingly. Print pricing does NOT include sales tax if applicable. Prices based on the information received at the time of the quote and are subject to change upon receipt of the artwork.

Invoices 30 days past due shall bear interest at the rate of 1.5% per month.

Customer Signature: _____ Submitted by: _____ Sales Rep.

Title: _____ By: _____ Authorized Officer

Scott Ogle
Account ManagerSales Rep

Advantage ColorGraphics
PRINTING • MAILING • MARKETING
1600 N. Kraemer Blvd.
Anaheim, CA 92806
Phone: (714) 538-3881 · Fax: (714) 632-8534

Proposal

City of Palmdale
38300 Sierra Highway
Suite D
Pamdale, CA 93550
Ph: 661.267.5100 ***Fax:***

Proposal 280607..02r
Date April 7, 2025

Project
Palmdale Magazine - 2026 - 2027
Art & List Supplied -
52 pg self
Prt - 4/4, 4cp / Same on 70# Gloss Book
Saddle Stitch to 8.25 x 10.75
52,000 = Bundle Tie in 50's w/ EDDM Slips - FOB: Lancaster, CA 93535
Balance Carton Pack Conv - FOB: Palmdale, CA 93550

Postage NOT INCLUDED

Note: Paper is Based on Current Costing and is Subject to Allocation, Mill Manufacturing Date BUT Paper Availability is NOT GUARENTEED
ESTIMATOR : Allison Nelson

Quantity of 55,000

Services	***Quantity***	***Setup***	***Rate***	***per***	***Price***
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$176.13	/m	$9,687.10
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$170.15	/m	$9,358.91
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$170.15	/m	$9,358.91
Printing - **Prt 4 pg Txt 4/4 on M600	55,000		$69.86	/m	$3,842.55
Printing - **Bindery	1				$2,308.55
Packaging-Hand Bundle	52,000		$8.00	/m	$416.00
Bundle Tie in 50's	1				
Deliver to Customer 93535	1		$630.00	ea	$630.00

Total Cost for Services **$35,602.02**

Total Estimated Project Cost 55,000 ***Unit Price:*** $0.6473 **$35,602.02**

Quotation SUBJECT to re-quote upon receipt of customer artwork, film or mail piece. Postage MUST be received prior to drop. Actual postage may vary from estimate.

Due to market conditions the paper prices included in this quotation are based on current prices and are subject to adjustment and availability at the time the paper stock is shipped from the mill. Any price increase will be reflected with an adjustment to this proposal or on the invoice rendered to you. **Over/under run of 5%** shall constitute an acceptable delivery and be billed accordingly. Print pricing does NOT include sales tax if applicable. Prices based on the information received at the time of the quote and are subject to change upon receipt of the artwork.

Invoices 30 days past due shall bear interest at the rate of 1.5% per month.

Customer Signature: _____ Submitted by: _____ Sales Rep.

Title: _____ By: _____ Authorized Officer

Scott Ogle
Account ManagerSales Rep

Advantage ColorGraphics
PRINTING • MAILING • MARKETING
1600 N. Kraemer Blvd.
Anaheim, CA 92806
Phone: (714) 538-3881 · Fax: (714) 632-8534

Proposal

City of Palmdale
38300 Sierra Highway
Suite D
Pamdale, CA 93550
Ph: 661.267.5100 ***Fax:***

Proposal 280607..03r
Date April 7, 2025

Project
Palmdale Magazine - 2027 - 2028
Art & List Supplied -
52 pg self
Prt - 4/4, 4cp / Same on 70# Gloss Book
Saddle Stitch to 8.25 x 10.75
52,000 = Bundle Tie in 50's w/ EDDM Slips - FOB: Lancaster, CA 93535
Balance Carton Pack Conv - FOB: Palmdale, CA 93550

Postage NOT INCLUDED

Note: Paper is Based on Current Costing and is Subject to Allocation, Mill Manufacturing Date BUT Paper Availability is NOT GUARENTEED
ESTIMATOR : Allison Nelson

Quantity of 55,000

Services	***Quantity***	***Setup***	***Rate***	***per***	***Price***
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$179.64	/m	$9,880.42
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$173.57	/m	$9,546.15
Printing - **Prt 16 pg Txt 4/4 on M600	55,000		$173.57	/m	$9,546.15
Printing - **Prt 4 pg Txt 4/4 on M600	55,000		$71.26	/m	$3,919.40
Printing - **Bindery	1				$2,354.72
Packaging-Hand Bundle	52,000		$8.00	/m	$416.00
Bundle Tie in 50's	1				
Deliver to Customer 93535	1		$650.00	ea	$650.00

Total Cost for Services **$36,312.84**

Total Estimated Project Cost 55,000 ***Unit Price:*** $0.6602 **$36,312.84**

Quotation SUBJECT to re-quote upon receipt of customer artwork, film or mail piece. Postage MUST be received prior to drop. Actual postage may vary from estimate.

Due to market conditions the paper prices included in this quotation are based on current prices and are subject to adjustment and availability at the time the paper stock is shipped from the mill. Any price increase will be reflected with an adjustment to this proposal or on the invoice rendered to you. **Over/under run of 5%** shall constitute an acceptable delivery and be billed accordingly. Print pricing does NOT include sales tax if applicable. Prices based on the information received at the time of the quote and are subject to change upon receipt of the artwork.

Invoices 30 days past due shall bear interest at the rate of 1.5% per month.

Customer Signature: _____ Submitted by: _____ Sales Rep.

Title: _____ By: _____ Authorized Officer

Scott Ogle
Account ManagerSales Rep

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT**
PLANNING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2025-051, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE RECOMMENDING CITY COUNCIL MODIFY THE PLANNING COMMISSION'S MEETING TIME TO 6:00PM BEGINNING ON AUGUST 14, 2025**

RECOMMENDATION

Staff recommend that the City Council:

Adopt Resolution No. CC 2025-051, a Resolution of the City Council of the City of Palmdale recommending that the City Council modify the Planning Commission's meeting time to 6:00 p.m. beginning on August 14, 2025.

BACKGROUND

Palmdale Municipal Code (PMC) Section 2.46.070, states that "Meetings of the Planning Commission shall be held on such days and at such times and location as may be established by the Commission for the conduct of its business and ratified by the City Council." Currently, the Planning Commission of the City of Palmdale meets on the second Thursday of each month at 5:00 p.m. in the Council Chamber, located at 38300 North Sierra Highway, Suite B.

On June 3, 2009, the City Council adopted Resolution No. CC 2009-093, which modified the Planning Commission's meetings from two meetings per month (previously held on the second and fourth Thursdays) to one meeting per month, scheduled for the second Thursday at 7:00 p.m.

On February 13, 2025, the Planning Commission approved Resolution No. PC 2025-004 recommending City Council ratify a change to the Planning Commission's meeting time from 7:00 pm to 5:00 p.m. beginning in April 2025.

Then, on March 18, 2025, the City Council adopted Resolution No. CC 2025-019, ratifying the Planning Commission's meeting time from 7:00 p.m. to 5:00 p.m.

On April 15, 2025, the Council requested that the Planning Commission revisit the meeting time of 5:00 p.m.

On June 12, 2025, the Planning Commission adopted Resolution No. PC 2025-013 modifying the meeting time from 5:00 p.m. to 6:00 p.m.

DISCUSSION

Planning Commission meetings are a platform to conduct the City's corporate business affairs with various businesses and the development community. Modifying the time from 5:00 p.m. to 6:00 p.m. allows the Planning Commission to conduct City business during hours that align with the corporate, development, legislative, and business community. This will allow the Commission, staff, businesses, and community to conduct business during standard working hours instead of late into the evening, which can negatively affect health and wellbeing and lead to decisions being compromised due to fatigue.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Reso No. CC 2025-051
Reso No. PC 2025-013
Reso No. CC 2025-019
Reso No. PC 2025-004
Reso No. CC 2009-093

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2025-051

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, APPROVING THE MODIFICATION OF THE PLANNING COMMISSION MEETING TIME FROM 5:00 P.M. TO 6:00 P.M. BEGINNING AUGUST 14, 2025

WHEREAS, Palmdale Municipal Code Section 2.46.070 states that "meetings of the Planning Commission shall be held on such days and at such time and location as may be established by the Commission for conduct of its business and ratified by the City Council."

WHEREAS, on June 3, 2009, the City Council adopted Resolution No. CC 2009-093 to modify the dates of the Planning Commission meetings from two meetings per month on the second and fourth Thursday to one meeting per month, held on the second Thursday of the month; and,

WHEREAS, on February 13, 2025, the Planning Commission approved Resolution No. PC 2025-004 recommending City Council ratify a change to the Planning Commission's meeting time from 7:00 pm to 5:00 p.m. beginning in April 2025.

WHEREAS, on March 18, 2025, the City Council adopted Resolution No. CC 2025-019 to modify the meeting time of the Planning Commission from 7:00 p.m. to 5:00 pm; and,

WHEREAS, on June 12, 2025, the Planning Commission approved Resolution No. PC 2025-013 to modify the meeting time of the Planning Commission from 5:00 p.m. to 6:00 p.m.; and,

WHEREAS, the proposal does not include changes to the meeting date and location, which will remain on the second Thursday of the month at the Council Chamber of the City of Palmdale, located at 38300 Sierra Highway, Suite B; and,

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

NOW THEREFORE, BE IT RESOLVED, THE PLANNING COMMISSION OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The City Council hereby specifically finds that all the facts set forth in the Recitals are true and correct.

SECTION 2. The City Council ratifies the meeting time of the Planning Commission of the City of Palmdale to 6:00 p.m. beginning August 14, 2025.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of July, 2025.

_____
Approved as to form: Richard J. Loa, Mayor

ATTEST:

_____ _____
Alexandra Halfman, Acting City Attorney Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 1st day of July 2025, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT: _____

Date: _____ _____
Rochelle Scott, City Clerk

PLANNING COMMISSION
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. PC-2025-013

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE, PLANNING COMMISSION RECOMMENDING CITY COUNCIL MODIFY THE PLANNING COMMISSION'S MEETING TIME FROM 5:00 PM TO 6:00 PM

WHEREAS, Palmdale Municipal Code Section 2.46.070 states that "meetings of the Planning Commission shall be held on such days and at such time and location as may be established by the Commission for conduct of its business and ratified by the City Council."

WHEREAS, on June 3, 2009, the City Council adopted Resolution No. CC 2009-093 to modify the dates of the Planning Commission meetings from two meetings per month on the second and fourth Thursday to one meeting per month, held on the second Thursday of the month; and,

WHEREAS, on February 13, 2025, the Planning Commission approved Resolution No. PC-2025-004 recommending City Council ratify a change to the Planning Commission's meeting time from 7:00 pm to 5:00 p.m. beginning in April 2025.

WHEREAS, on March 18, 2025, the City Council adopted Resolution No. CC 2025-019 to modify the meeting time of the Planning Commission from 7:00 p.m. to 5:00 pm; and,

WHEREAS, the proposal is a request for the Planning Commission of the City of Palmdale to recommend that the City Council modify the Planning Commission's meeting time from 5:00 pm to 6:00 pm; and,

WHEREAS, the proposal does not include changes to the meeting date and location, which will remain on the second Thursday of the month at the Council Chamber of the City of Palmdale, located at 38300 Sierra Highway, Suite B; and,

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

NOW THEREFORE, BE IT RESOLVED, THE PLANNING COMMISSION OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The Planning Commission hereby specifically finds that all of the facts set forth in the Recitals are true and correct.

SECTION 2. The Planning Commission recommends that the City Council modify the meeting time as directed by the Planning Commission during the June 12, 2025, Planning Commission meeting.

SECTION 3. The Deputized Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 12th day of June, 2025.

Dean Henderson
Chair, Planning Commission

ATTEST:

Sylvia Magallanes, Deputized Clerk

I, Sylvia Magallanes, Deputized Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly approved, and adopted by the Planning Commission of the City of Palmdale at a regular meeting of said Commission held on the 12th day of June, 2025, by the following roll call vote:

AYES: (5) Chair Henderson, Vice Chair Elize, Commissioners Jones, Lujan, Olivarez

NOES: (0)

ABSTAIN: (0) ABSENT: (0)

Date: 6/17/2025

Sylvia Magallanes, Deputized Clerk

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2025-019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, APPROVING THE MODIFICATION OF THE PLANNING COMMISSION MEETING TIME FROM 7:00 P.M. TO 5:00 P.M. BEGINNING AT THE APRIL 10, 2025, MEETING

WHEREAS, Palmdale Municipal Code Section 2.46.070 states that "meetings of the Planning Commission shall be held on such days and at such time and location as may be established by the Commission for conduct of its business and ratified by the City Council."

WHEREAS*,* on June 3, 2009, the City Council adopted Resolution No. CC 2009-093 to modify the dates of the Planning Commission meetings from two meetings per month on the second and fourth Thursday to one meeting per month, held on the second Thursday of the month.

WHEREAS*,* the proposal is a request for the City Council approval of setting the meeting time of the Commission at 5:00 P.M. beginning at the April 10, 2025, meeting.

WHEREAS, the proposal does not include changes to the meeting date and location, which will remain on the second Thursday of the month in the Council Chamber of the City of Palmdale, located at 38300 Sierra Highway, Suite B.

WHEREAS, the Planning Commission adopted Resolution No. PC-2025-004 recommending that the City Council approve the modification of the Planning Commission meeting time from 7:00 p.m. to 5:00 p.m. beginning in April 2025.

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

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The City Council hereby specifically finds that all of the facts set forth in the Recitals are true and correct.

SECTION 2. The City Council ratifies the meeting time of the Planning Commission of the City of Palmdale to 5:00 p.m. beginning at the April 10, 2025, meeting.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 18th day of March, 2025.

Richard J. Loa
Richard J. Loa (Apr 1, 2025 14:41 PDT)

Approved as to form:

Richard J. Loa, Mayor

WILLIAM P CURLEY III (Mar 20, 2025 11:21 PDT)

William P. Curley, III
City Attorney

ATTEST:
Rochelle Scott
Rochelle Scott (Apr 1, 2025 15:36 PDT)

Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 18th day of March 2025, by the following roll call vote:

AYES: Loa, Bettencourt, Bishop, Ohlsen, Alarcón

NOES: None

ABSTAIN: None ABSENT: None

Date: 04/01/2025

Rochelle Scott
Rochelle Scott (Apr 1, 2025 15:36 PDT)

Rochelle Scott, City Clerk

PLANNING COMMISSION
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. PC-2025-004

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVAL OF MODIFYING THE PLANNING COMMISSION MEETING TIME FROM 7:00 P.M. TO 5:00 P.M. BEGINNING APRIL 2025

WHEREAS, Palmdale Municipal Code Section 2.46.070 states that "meetings of the Planning Commission shall be held on such days and at such time and location as may be established by the Commission for conduct of its business and ratified by the City Council."

WHEREAS, on June 3, 2009, the City Council adopted Resolution No. CC 2009-093 to modify the dates of the Planning Commission meetings from two meetings per month on the second and fourth Thursday to one meeting per month, held on the second Thursday of the month.

WHEREAS, the proposal is a request for the Planning Commission of the City of Palmdale to recommend City Council approval of setting the meeting time of the Commission at 5:00 P.M. beginning April 2025.

WHEREAS, the proposal does not include changes to the meeting date and location, which will remain on the second Thursday of the month at the Council Chamber of the City of Palmdale, located at 38300 Sierra Highway, Suite B.

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

NOW THEREFORE, BE IT RESOLVED, THE PLANNING COMMISSION OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The Planning Commission hereby specifically finds that all of the facts set forth in the Recitals are true and correct.

SECTION 2. The Planning Commission recommends that the City Council ratifies the meeting time of the Planning Commission of the City of Palmdale to 5:00 p.m. beginning April 2025.

SECTION 3. The Deputized Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 13th day of February, 2025.

Dean Henderson
Chair, Planning Commission

ATTEST:

Sylvia Magallanes, Deputized Clerk

I, Sylvia Magallanes, Deputized Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly approved, and adopted by the Planning Commission of the City of Palmdale at a regular meeting of said Commission held on the 13th day of February, 2025, by the following roll call vote:

AYES: (3) Chair Henderson, Commissioner Lujan, Olivarez

NOES: (1) Commissioner Jones

ABSTAIN: (1) Commissioner Elize ABSENT: (0)

Date: 2/24/2025

Sylvia Magallanes, Deputized Clerk

CITY OF PALMDALE
LOS ANGELES COUNTY, CALIFORNIA
RESOLUTION NO. CC 2009-093

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, RATIFYING THE MEETING DATE OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE

A. RECITALS

(i) Section 2.46.070, Meetings – Time and place of the Municipal Code states that "meetings of the Planning Commission shall be held on such days and such time and location as may be established by the Commission for conduct of its business and ratified by the City Council."

(ii) The Planning Commission of the City of Palmdale adopted Resolution No. PC-2009-018 on May 7, 2009 setting the meeting date of the Commission as second Thursday of the month beginning June 2009.

(iii) The meeting time and place stays the same as 7:00 p.m. and at the Council Chamber of the City of Palmdale located at 38300 Sierra Highway, Suite B.

B. RESOLUTION

NOW THEREFORE, it is hereby found, determined, and resolved by the City Council of the City of Palmdale, as follows:

1. The City Council hereby specifically finds that all of the facts set forth in the Recitals, Part A of this Resolution, are true and correct.

2. The City Council hereby ratifies the meeting date of the Planning Commission of the City of Palmdale to the second Thursday of every month beginning June 2009.

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

PASSED, APPROVED and ADOPTED this 3rd day of June, 2009, by the following vote:

AYES: Ledford, Lackey, Dispenza, and Hofbauer

NOES: None

ABSTAIN: None ABSENT: None

James C. Ledford, Jr., Mayor

ATTEST:

Victoria L. Hancock, CMC
City Clerk

APPROVED AS TO FORM:

City Attorney

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **APPROVE COMMUNITY WORKFORCE AGREEMENT (CWA) BY AND BETWEEN THE CITY OF PALMDALE AND LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL AND THE SIGNATORY CRAFT COUNCILS AND LOCAL UNIONS**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve CWA, Agreement No. A-9406, by and between the City of Palmdale and Los Angeles/Orange Counties Building and Construction Trades Council (Trades Council), the Signatory Craft Councils and Local Union; and,

2. Authorize the City Manager Pro Tem to execute the CWA.

BACKGROUND

On October 2, 2018, the City Council approved a CWA with Trades Council. In summary, the Agreement established the labor relations policies and procedures for the City and for the craft employees represented by the Unions engaged in projects designated by the City Council as a part of the City's Capital Improvement Program (CIP) and other as-needed specialized work. The terms of the CWA apply to all contractors and subcontractors who successfully bid on the eligible project and supersede any existing collective bargaining agreements.

DISCUSSION

The purpose of the Agreement (CWA), as outlined in Attachment 1, is to partner with the City's CIP to:

- Increase local resident and veteran involvement in the construction industry,
- Assist them in entering the construction trades; and,

- Offer training via joint labor/management-sponsored apprenticeship programs.

This proposed CWA is similar to the previous agreement between the City, the Trades Council, and other local agencies. It will take effect once signed by all parties and remain in force for four years, with an automatic two-year extension unless either party gives written notice at least 60 days before the end date.

The Trades Council includes 26 local unions, such as cement masons, electricians, iron workers, operating engineers, carpenters, and roofers.

Some of the key requirements in the CWA are:

- Covered Projects:
  - All multi-trade prime contracts over $750,000 (and their subcontracts)
  - All specialty prime contracts over $150,000 (and their subcontracts)

- Local Hire Goals:
  - Similar to the previous agreement, this CWA sets goals to hire local residents and veterans.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Leonardo Torres, P.E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Agrmt No. A-9406, CWA with Trades Council, the Signatory Craft Councils and Local Unions

SUCCESSOR COMMUNITY WORKFORCE AGREEMENT

BY AND BETWEEN

THE CITY OF PALMDALE

AND

LOS ANGELES/ORANGE COUNTIES

BUILDING AND CONSTRUCTION TRADES COUNCIL

AND THE SIGNATORY CRAFT COUNCILS AND UNIONS

TABLE OF CONTENTS Page

ARTICLE 1 DEFINITIONS 3

ARTICLE 2 SCOPE OF THE AGREEMENT 4

ARTICLE 3 UNION RECOGNITION AND EMPLOYMENT 9

ARTICLE 4 UNION ACCESS AND STEWARDS 14

ARTICLE 5 WAGES AND BENEFITS 15

ARTICLE 6 WORK STOPPAGES AND LOCKOUTS 16

ARTICLE 7 WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES 20

ARTICLE 8 MANAGEMENT RIGHTS 21

ARTICLE 9 SETTLEMENT OF GRIEVANCES AND DISPUTES 23

ARTICLE 10 REGULATORY COMPLIANCE 25

ARTICLE 11 SAFETY 25

ARTICLE 12 APPRENTICES 26

ARTICLE 13 PRE-JOB CONFERENCES 27

ARTICLE 14 WORK OPPORTUNITIES PROGRAM 27

ARTICLE 15 SAVINGS AND SEPARABILITY 28

ARTICLE 16 WAIVER 28

ARTICLE 17 AMENDMENTS 28

ARTICLE 18 DURATION OF THE AGREEMENT 29

ATTACHMENT A – LETTER OF ASSENT 31

ATTACHMENT B – LOCAL RESIDENT ZIP CODES 32

ATTACHMENT C – CRAFT REQUEST FORM 33

ATTACHMENT D - DRUG AND ALCOHOL TESTING POLICY 35

CITY OF PALMDALE
SUCCESSOR COMMUNITY WORKFORCE AGREEMENT

This successor Community Workforce Agreement ("Agreement") is entered into by and between the City of Palmdale and its successors or assigns, ("City"), the Los Angeles/Orange Counties Building and Construction Trades Council ("Council"), and the signatory Craft Councils and Local Unions signing this Agreement (collectively, the "Union" or "Unions"). This Agreement establishes the labor relations Policies and Procedures for the City and for the craft employees represented by the Unions engaged in the City's Improvement Projects as more fully described below. The City, Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

It is understood by the Parties to this Agreement that if this Agreement is acceptable to the City, it will become the policy of the City for the Project Work to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (a form of which is attached as Attachment A), and to require each of its subcontractors, of whatever tier, to become bound. The City shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the City.

ARTICLE I
DEFINITIONS

Section 1.1 "Agreement" means this Community Workforce Agreement.

Section 1.2 "Apprentice" means those employees indentured and participating in a Joint Labor/Management Apprenticeship Program approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

Section 1.3 "Construction Contract" and "Construction Contracts" means any contract entered into by the as defined by Section 2.2.

Section 1.4 "Contractor" means any individual firm, partnership, owner operator, or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has entered into a Construction Contract with the City or any of its contractors or any of the City's or contractor's subcontractors of any tier, with respect to the construction of any part of a Project under contract terms and conditions approved by the City and which incorporate this Agreement.

Section 1.5 "City" means the City of Palmdale.

Section 1.6 "Joint Labor/Management Apprenticeship Program" as used in this Agreement means a joint Union and Contractor administered apprenticeship program certified by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

Section 1.7 "Letter of Assent" means the document that each Contractor (of any tier) must sign and submit to the City before beginning any Project Work, which formally binds such Contractor(s) to adherence to all the forms, requirements, and conditions of this Agreement in the form attached hereto as Attachment A.

Section 1.8 "Master Labor Agreements" or "MLA" as used in this Agreement means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement.

Section 1.9 "Project," "City Project" or "Project Work" means the construction work to be performed on City property or within easements secured by the City consisting of the construction of public projects, as defined in Section 22002 of the California Public Contract Code, pursuant to a Construction Contract entered into by the City, as more fully described in Article 2, below.

Section 1.10 "Subscription Agreement" means the contract between a Contractor and a Union's Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of a Master Labor Agreement.

Section 1.11 "Specialty Contracts" means single craft contract.

Section 1.12 The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only, and carry no legal significance.

ARTICLE 2
SCOPE OF THE AGREEMENT

Section 2.1 General This Agreement shall apply and is limited to all of the City's Project Work, as specified in Section 2.2 of this Article, performed by those Contractor(s) of whatever tier that have contracts awarded for such work, for the development of the City's facilities which, jointly, constitute the Project, and have been designated by the City for construction or rehabilitation.

Section 2.2 Specific The work covered by this Agreement is defined and limited to:

(a) All construction and rehabilitation work pursuant to prime multi-trade contracts that exceed $750,000 and all subcontracts arising from these prime contracts; and

(b) All prime specialty contracts that exceed $150,000, and all subcontracts arising from these specialty contracts (but the Parties agree to discuss this threshold on or about the fourth anniversary of the effective date of this Successor Agreement);

(c) It is understood by the Parties that the City may at any time, and at its sole discretion, add additional projects under this Agreement not set forth in subsections (a) and (b), above.

(d) Work covered by this Agreement shall also include projects built by, with or for the City where the City has a "Proprietary Interest" in a project. For the purposes of this Article, Proprietary Interest means: Where the City provides a cash payment, tax credit, loan or where the City transfers an asset of value for less than fair market price for the project site or project to be developed that exceeds one-million dollars.

(e) Project Work shall also include renewable energy projects that (A) exceed the threshold in Section 2.2 (a) and 2.2 (b), including, but not limited to, electric vehicle infrastructure, solar photovoltaics, battery energy storage, microgrids and hydrogen electrolysis, and (B) (i) are funded in whole or in part by the City, (ii) constructed on property owned by the City, or (iii) the City receives state/federal grant funding for the project in whole or in part.

Section 2.3 Bundling of Contracts The Parties understand that, to the maximum extent feasible, and consistent with goals of the City to (i) utilize this Agreement as the labor relations policy for its construction and rehabilitation program and (ii) fully utilize the services of local small business enterprises for such construction and rehabilitation work:

(a) The City, in its sole discretion, will seek to group (or "bundle") for bidding, contracts not meeting the thresholds of Section 2.2 (a) or (b) above. (Small contracts for like types of work, scheduled to be undertaken at the same facility or on the same project site, and within the same timeframe, will be considered for such bundling, consistent with economies of scale, and the purposes of this Agreement); and

(b) Project Work will not be split, divided, or otherwise separated for contract award purposes to avoid application of this Agreement.

Section 2.4 This Agreement shall not apply to any work of any Contractor other than that on Project Work specifically covered by this Agreement.

Section 2.5 Exclusions Items specifically excluded from the Scope of this Agreement include the following:

(a) Work of non-manual employees, including but not limited to: superintendents; supervisors; staff engineers; time keepers; mail carriers; clerks; office workers; messengers; guards; safety personnel; emergency medical and first aid technicians; and other professional, engineering, administrative, supervisory and management employees;

(b) Equipment and machinery owned or controlled and operated by the City;

(c) All off-site manufacture and handling of materials, equipment or machinery; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and the movement of

materials or goods between locations on a Project site are within the scope of this Agreement, and further included are the hauling/delivery of soil, sand, gravel, aggregate rocks, concrete, asphalt, excavation materials, fill material and construction debris which shall be covered by this Agreement;

(d) All employees of the City, design teams (including, but not limited to architects engineers and master planners), or any other consultants for the City (including, but not limited to, project managers and construction managers and their employees where not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement; provided, however, that it is understood and agreed that Surveyors and Building/Construction Inspector and Field Soils and Materials Testers (collectively "Inspectors") are a covered craft under the CWA. (This inclusion applies to the scope of work defined in the MLA for said Craft. This shall also specifically include such work where it is referred to by utilization of such terms as "quality control" or "quality assurance." Every Inspector performing under the Wage classification of Surveyor, Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement or a construction contract shall be bound to all applicable requirements of the CWA. Project Work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded;

(e) Any work performed on or near or leading to or into a site of work covered by this Agreement and undertaken by state, county, city or other governmental bodies, or their Contractors; or by public utilities, or their Contractors; and/or by the City or its Contractors (for work for which is not within the scope of this Agreement);

(f) Off-site maintenance of leased equipment and on-site supervision of such work;

(g) Work by employees of manufacturer or vendor necessary to maintain the manufacturer or vendor's warranties or guaranty. The warranty and guaranty provision requiring the work to be performed solely by the manufacturer or vendor's employees will be provided to the Council not less than seven (7) calendar days prior to commencement of such work. When the warranty does not require installation by the manufacturer's or vendor's own personnel or a contractor certified by the manufacturer, the Unions agree to perform and install such work under the supervision and direction of the manufacturer's representative. This does not apply to construction equipment used for construction of the Project.

(h) Non-construction support services contracted by the City or Contractor in connection with this Project;

(i) Off-site laboratory work for testing;

(j) Labor or other work performed by anyone in connection with (i) any Project Work funded in whole or in part with funds awarded by the California Department of Housing and Community Development under Community Development Block Grant funds awarded by the United State Department of Housing and Urban Development; and (ii) any other Project of

the City for the construction, rehabilitation and/or preservation of buildings and structures for affordable housing for extremely low, very low, low- moderate income persons or families within the meaning of Health & Safety Code Section 33334.2(a). But this exception will become null and void and the work will become included under this Agreement if the City is successful in achieving a vehicle miles travel exemption.

(k) Any work that would ordinarily be subject to this Agreement, but has been deemed immediately required as a result of a local emergency, in accordance with the emergency contracting procedures set forth in Section 22050 of the Public Contract Code.

(l) Tree trimming, park/landscape maintenance contracts;

(m) Electrical/sound/lighting/projection rigging and operation for events/shows at The Amphitheater, Palmdale Playhouse or Special Events;

(n) Temporary stage construction and temporary tent installation;

(o) Routine maintenance of athletic facilities completed by City employees; and

(p) Routine maintenance of aquatic mechanical systems by City employees.

Section 2.6 Awarding of Contracts

(a) The City and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on this Project to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties, provided only that such Contractor is willing, ready and able to execute and comply with this Community Workforce Agreement should such Contractor be awarded work covered by this Agreement.

(b) It is agreed that all Contractors and subcontractors of whatever tier, who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Community Workforce Agreement, and shall evidence their acceptance by the execution of the Letter of Assent as set forth in Attachment A hereto, prior to the commencement of work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance on the construction contract, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the City Project Manager and to the Council forty-eight (48) hours before the commencement of Project Work, or within forty-eight (48) hours after the award of Project Work to that Contractor (or subcontractor), whichever occurs later.

(c) The City agrees that to the extent permitted by law and consistent with the economy and efficiency of construction and operation, it will use its best efforts to purchase

materials, equipment and supplies which will not create labor strife. Under all circumstances, however, the City shall retain the absolute right to select the lowest reliable and responsible bidder for the award of contracts on all projects.

Section 2.7 Coverage Exception

(a) This Agreement shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that the City not require, bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organizations or enter into an agreement that contains any of the terms set forth herein. The City agrees that it will make every effort to establish the enforcement of this Agreement with any governmental agency or granting authority.

(b) Should the City receive funding or assistance from any federal, state, local, or other public agency that prohibits the use of geographic-based hiring preferences, then such geographic-based hiring preferences, as set forth in Sections 3.5, 3.6, 3.8 and 12.1 in this Agreement, shall not apply to the work funded by such federal source.

Section 2.8 Master Labor Agreements

(a) The provisions of this Agreement, including the MLAs, (which are the local Master Labor Agreements of the signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national agreement which may conflict with or differ from the terms of this Agreement. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or within the jurisdiction of the International Union of Elevator Constructors and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, except that Articles dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all Parties signatory hereto who are then currently employed or represented at the Project. Where a subject covered by the provisions of this Agreement is also covered by a MLA, the provisions of this Agreement shall apply. Where a subject is covered by a provision of a MLA and not covered by this Agreement, the provisions of the MLA shall prevail. Any dispute as to the applicable source between this Agreement and any MLA for determining the wages, hours of working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

(b) It is understood that this Agreement, together with the referenced MLA's, constitutes a self-contained, stand-alone agreement and by virtue of having become bound to this Community Workforce Agreement, the Contractor will not be obligated to sign any other local,

area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory Participation Agreement at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Participation Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign the documents described herein, with the appropriate Craft Union prior to the subcontractor beginning work on covered Projects.

Section 2.9 Workers' Compensation Carve-out The Parties recognize the potential which the Project Work may provide for the implementation of a cost effective workers' compensation system, as permitted by revised California Labor Code Section 3201.5, and it is understood that the City is in an ongoing review of the value of such a program. Should the City request, the Union parties agree to meet and negotiate in good faith with representatives of the City for the development, and subsequent implementation, of an effective program involving improved and revised dispute resolution and medical care procedures for the delivery of workers' compensation benefits and medical coverage as permitted by the California Labor Code.

Section 2.10 Binding Signatories Only This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party.

Section 2.11 Other City Work This Agreement shall be limited to the construction work within the Scope of this Agreement including, specifically, site preparation and related demolition work, and new construction and major rehabilitation work for new or existing facilities referenced in Section 2.2 above. Nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by City Employees or contracted for by the City for its own account, on its property or in and around a Project site.

Section 2.12 Separate Liability It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the City and/or any Contractor.

Section 2.13 Completed Project Work As areas of covered work are accepted by the City, this Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the City or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the City.

ARTICLE 3
UNION RECOGNITION AND EMPLOYMENT

Section 3.1 Recognition The Contractor recognizes the Council and the signatory local Unions as the exclusive bargaining representative for the employees engaged in Project Work. Contractors further recognize that the Unions shall be the primary source of all craft labor employed on City Projects. In the event that a Contractor has its own core workforce, said Contractor shall follow the procedures outlined below.

Section 3.2 Contractor Selection of Employees The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off, unless expressly limited or required by a specific provision of this Agreement or an MLA. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any required reporting pay; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement. The Unions shall in good faith only refer employees who possess the specific skills, licenses, certifications and qualifications requested by the Contractor to competently and safely perform the specific labor or other work requested by the Contractor and who are in fact able and available to perform the labor or other work on the specific day(s) and time(s) required by the Contractor.

Section 3.3 Referral Procedures

(a) For signatory Unions now having a job referral system contained in a MLA, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the City to encourage employment of City residents and utilization of small local businesses on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

(b) The local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The local Unions will work with their affiliated regional and national unions, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, particularly residents of the City, for entrance into joint labor/management apprenticeship programs, or to participate in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction of maintenance work to be undertaken by the City.

(c) The Union shall not knowingly refer an employee currently employed by a Contractor on a covered Project to any other Contractor.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting The Unions and the Contractors agree that they will not discriminate against any employee or applicant for employment in hiring and dispatching on the basis of race, color, religion, sex, gender, gender identity, gender expression, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status or disability. Further, it is recognized that the City has certain policies, programs, and goals for the utilization of local small business enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere with local small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the City's policies and commitment to its goals for the significant utilization of local small businesses as direct Contractors or suppliers for Project Work.

Section 3.5 Employment of City Residents

(a) The Unions and Employers agree that, to the extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft "Local Residents" as defined herein, to fulfill the requirements of the Employers. In recognition of the fact that the City and the communities surrounding Project Work will be impacted by the construction of the Project Work, the parties agree to support the hiring of workers from the residents of these surrounding areas. Towards that end, the Parties hereby establish a goal that 30% of all construction labor hours worked on the Project shall be from Veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, regardless of where they reside, and qualified area residents residing: first, in those first tier zip codes which overlap the City boundaries, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment B, second, area residents residing within the greater Antelope Valley area, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment B, third, area residents residing within the remainder of the County of Los Angeles. For dispatch purposes, employees described in this Section 3.5(a) shall be referred to as "Local Residents."

(b) A goal of 30% of the total work hours performed on the Project shall be from qualified workers described in (a) above. In addition, a goal of 10% of the total work hours shall be from transitional workers residing within the greater Antelope Valley area, as reflected on the attached list of zip codes.

(c) The Unions shall coordinate with community-based job placement organizations to ensure transitional workers, veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program are referred to the Unions from such organizations. The community-based job placement organizations shall pre-screen any applicant prior to referral to the Unions. Drug screening will be a prerequisite to employment. The following criteria will be used to identify transitional workers:

- having a gross household income below 50% of the Los Angeles County median;
- being homeless;
- a welfare recipient;
- having a history of involvement with the justice system;
- being unemployed for the previous three (3) months; or
- a custodial single parent.

For the applicant to qualify under this program, the community-based job placement organizations shall verify the presence of at least one of the above criteria for those applicants referred to the Unions.

(d) Contractors and Unions will administer this local residency and disadvantaged worker preference, and shall maintain adequate records to demonstrate that local residency and disadvantaged worker preferences have been pursued. The City has the authority to review such records to ensure compliance. Work performed by residents of states other than California shall not be included in the calculation of the labor and craft positions for purposes of the percentage requirements set forth herein.

Section 3.6 To facilitate the dispatch of local residents, transitional workers, veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Covered Project, a sample of which is attached as Attachment C. When local residents, transitional workers, veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program are requested by the Employers, the Unions will refer such workers regardless of their place in the Unions' hiring halls' list and normal referral procedures.

Section 3.7 Helmets to Hardhats The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified City resident to provide the Unions with proof of his/her status as an Eligible Veteran.

The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

Section 3.8 Core Employees

(a) Contractors which are not independently signatory to a Master Labor Agreement may employ, as needed, first, a member of his core workforce, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, then a second employee through the referral system, and so on until a maximum of five (5) core employees are employed, thereafter, all additional employees in the affected trade or craft shall be requisitioned from the craft hiring hall in accordance with Section 3.3. The Unions shall in good faith only refer employees who possess the specific skills, licenses, certifications, and qualifications required by the Contractor to competently and safely perform the specific labor or other work requested by the Contractor and who are in fact able and available to perform the labor or other work on the specific day(s) and time(s) requested by the Contractor. In the laying off of employees, the number of core employees shall not exceed one-half plus one of the workforce for an employer with 10 or fewer employees, assuming the remaining employees are qualified to undertake the work available. This provision applies only to Contractors which are not independently signatory to a Master Labor Agreement and is not intended to limit the transfer provisions of the MLA of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate fringe benefit fund coverage, all Contractors shall require their core employees and any other persons employed other than through the Union referral process, to register with the appropriate Union hiring hall, if any, prior to their first day of employment at a project site.

(b) The core work force is comprised of those employees whose names appeared on the Contractor's active payroll for sixty (60) of the one hundred (100) working days immediately before award of Project Work to the Contractor; who possess any license required by state or federal law for the Project Work to be performed; who have the ability to safely perform the basic functions of the applicable trade; and who worked at total of at least two thousand (2,000) hours in the specific construction craft in which they are working, during the prior four (4) years.

(c) Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of his core employees to the Council. Failure to do so will prohibit the Contractor from using any core employees. Upon request by any Party to this Agreement, the Contractor hiring any core employee shall provide satisfactory proof (i.e., payroll records, quarterly tax records, driver's license, voter registration, postal address and such other documentation) evidencing the core employee's qualification as a core employee to the Council.

(d) Hours worked by residents of states other than California shall not be included in the calculation of total hours of Project Work for purposes of the percentage requirements set forth above.

Section 3.9 Time for Referral If any Union's registration and referral system does not fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that Contractor may use employment sources other than the Union registration and referral services, and may employ applicants meeting such standards from any other available source. The Contractors shall inform the Union of any applicants hired from other sources within forty-eight (48) hours of such applicant being

hired, and such applicants shall register with the appropriate hiring hall, if any, prior to their first day of employment at a project site.

Section 3.10 Lack of Referral Procedure If a signatory local Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. The Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.11 Union Membership Employees are not required to become or remain union members or pay dues or fees as a condition of performing Covered Work under this Agreement. Employers shall make and transmit all deductions for union dues, fees, and assessments that have been authorized by employees in writing in accordance with the applicable MLA. Nothing in this Section 3.11 is intended to supersede independent requirements of applicable MLAs as to those Employers otherwise signatory to such MLAs and as to those Employers otherwise signatory to such MLAs and as to the employees of those Employers who are performing Covered Work.

Section 3.12 Individual Seniority Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on the Project; provided, however, that group and/or classification seniority in a Union's MLA as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.13 Foremen The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

ARTICLE 4
UNION ACCESS AND STEWARDS

Section 4.1 Access to Project Sites Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further provided that such representatives fully comply with posted visitor, security and safety rules.

Section 4.2 Stewards

(a) Each signatory local Union shall have the right to dispatch a working journeyperson as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

(b) In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of

the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward in the proper performance of his/her Union duties.

(c) When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

(d) The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge The Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable MLA, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice have been given.

Section 4.4 Employees on Non-Project Work On work where the personnel of the City may be working in close proximity to the construction activities covered by this Agreement, the Union agrees that the Union representatives, stewards, and individual workers will not interfere with the City personnel, or with personnel employed by the any other employer not a Party to this Agreement.

ARTICLE 5
WAGES AND BENEFITS

Section 5.1 Wages All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. Notwithstanding any other provision in this Agreement, Contractors directly signatory to one or more of the MLAs are required to pay all of the wages set forth in those MLAs without reference to the forgoing.

Section 5.2 Benefits

(a) Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate MLA and make all employee–authorized deductions in the amounts designated in the appropriate MLA, however, such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination.

Notwithstanding any other provision in this Agreement, Contractors directly signatory to one or more of the MLA are required to make all contributions set forth in those MLA without reference to the foregoing. Bona fide jointly-trusteed benefit plans or authorized employee deduction programs established or negotiated under the applicable MLA or by the Parties to this Agreement during the life of this Agreement may be added.

(b) The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

(c) Each Contractor and subcontractor is required to maintain records evidencing that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, a Union shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made. In the event of failure of a prime Contractor or subcontractor to timely make the delinquent payments, a Union may request that the City or the prime Contractor withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

Section 5.4 Compliance with Prevailing Wage Laws The Parties agree that the City shall monitor the compliance by all Contractors and subcontractors with all applicable federal and state prevailing wage laws and regulations, and that such monitoring shall include Contractors engaged in what would otherwise be Project Work but for the exceptions to Agreement coverage in Article 2, Section 2.2. All complaints regarding possible prevailing wage violations shall be referred to the City for processing, investigation and resolution, and if not resolved within thirty calendar days, may be referred by any party to the state labor commissioner.

ARTICLE 6
WORK STOPPAGES AND LOCK-OUTS

Section 6.1 No Work Stoppages or Disruptive Activity The Council and the Unions signatory hereto agree that neither they, and each of them, nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or any way related to Project Work, or which interferes with or otherwise disrupts, Project Work, or with respect to or related to the City or Contractors or subcontractors, including, but not limited to, economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is arbitrable. Any such actions by the Council, or Unions, or their members,

agents, representatives or the employees they represent shall constitute a violation of this Agreement. The Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 6.2 Employee Violations The Contractor may discharge any employee violating Section 6.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 6.3 Standing to Enforce The City or any Contractor affected by an alleged violation of Section 6.1 shall have standing and the right to enforce the obligations established therein.

Section 6.4 Expiration of the MLA's If the MLA, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project, the Union(s) agree that there shall be no work disruption of any kind as described in Section 6.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project on one of the following two (2) options, both of which will be offered by the Unions involved to the Contractors affected:

(a) Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Los Angeles County.

(b) Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new MLA, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Contractors shall be solely responsible for any retroactive payment to its employees.

(c) Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph (a) above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under paragraph (b)

above. To decide between the two options, Contractors will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph (a) above, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected option (b).

Section 6.5 No Lockouts Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the City's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 6.6 Best Efforts to End Violations

(a) If a Contractor contends that there is any violation of this Article or Section 7.3, it shall notify, in writing, the Executive Secretary of the Council, the Senior Executive of the involved Union(s) and the City. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts to cause the cessation of any violation of the relevant Article.

(b) If the Union contends that any Contractor has violated this Article, it will notify that the Contractor and the City, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 6.8. The City shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 6.7 Withholding of services for failure to pay wages and fringe benefits

Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who:

(a) fails to timely pay its weekly payroll; or

(b) fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable MLA. Prior to withholding its members' services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's MLA, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and to the City. Union will meet within the ten (10) day period to attempt to resolve the dispute.

(c) Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

Section 6.8 Expedited Enforcement Procedure Any party, including the City, which the Parties agree is a Party to the Agreement for purposes of this Article and an intended beneficiary of this Article, may institute the following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 6.1 or 6.5, above, or Section 7.3 is alleged.

(a) The Party invoking this procedure shall notify Najeeb Khoury who has been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrator under this procedure. If the permanent arbitrator is unavailable at any time, the party invoking this procedure shall notify one of the alternates selected by the Parties, as set forth under section 9.2, Step 3 (a), in that order on an alternating basis. Expenses incurred in arbitration shall be borne equally by the Parties involved in the arbitration and the decision of the arbitrator shall be final and binding on the Parties, provided, however, that the arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by email, facsimile, hand delivery or overnight mail and will be deemed effective upon receipt.

(b) Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Executive Secretary and the Senior Official(s) as required by Section 6.6, as above.

(c) The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed 24 hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of Sections 6.1 or 6.5, above, or Section 7.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, (except for damages as set forth in 6.8 below) which issue is reserved for court proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any Party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such award shall be served on all Parties by hand or registered mail upon issuance.

(e) Such award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such

enforcement proceedings shall be given to the other Party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's award as issued under Section 6.7(d) of this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for a Union), as shown on their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

(f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

(g) The fees and expenses of the arbitrator shall be equally divided between the Party or Parties initiating this procedure and the respondent Party or Parties.

ARTICLE 7
WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 7.1 Assignment of Work The assignment of Covered Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 7.2 The Plan All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

(a) If a dispute arising under this Article involves the Western States Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the applicable Building and Construction Trades Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 7.3 No Work Disruption Over Jurisdiction All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 7.4 Pre-Job Conferences As provided in Article 13, each Contractor will conduct a pre-job conference with the appropriate affected Union(s) prior to commencing work. The Council shall be advised in advance of all such conferences and may participate if they wish.

Section 7.5 Resolution of Jurisdictional Disputes If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the plan then currently in effect, or otherwise as in Article 6 above.

ARTICLE 8
MANAGEMENT RIGHTS

Section 8.1 Contractor and City Rights The Contractors and the City have the sole and exclusive right and authority to oversee and manage construction operations on Project Work, as set forth in this Article, without any limitations unless expressly limited or required by a specific provision of this Agreement or an MLA. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractor's rights include, but are not limited to, the right to:

(a) Plan, direct and control operations of all work;

(b) Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;

(c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;

(d) Discharge, suspend or discipline their own employees for just cause;

(e) Utilize, in accordance with City approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and

(f) Assign overtime, determine when it will be worked and the number and identity of employees engaged in such work, subject to such provisions in the applicable MLA(s) requiring such assignments be equalized or otherwise made in a nondiscriminatory manner.

Section 8.2 Specific City Rights In addition to the following and other rights of the City enumerated in this Agreement, the City expressly reserves its management rights and all the rights conferred on it by law. The City's rights (and those of the Contract Administrator on its behalf) include but are not limited to the right to:

(a) Inspect any construction site or facility to ensure that the Contractor follows the applicable safety and other work requirements;

(b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at a particular location;

(c) At its sole option, terminate, delay and/or suspend any and all portions of the covered work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the City's Facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. (In order to permit the Contractors and Unions to make appropriate scheduling plans, the City will provide the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the applicable MLA;

(d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs; and

(e) Investigate and process complaints, in the matter set forth in Articles 6 and 9.

Section 8.3 Use of Materials There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the State Public Contracts and Labor Codes as required by law in reference to offsite construction. Generally, the onsite installation or application of such items shall be performed by the craft having jurisdiction over such work. The City shall advise all Contractors of, and enforce as appropriate, the off-site application of the prevailing wage law as it affects Project Work.

Section 8.4 Special Equipment, Warranties and Guaranties

(a) It is recognized that certain materials, equipment and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the materials, equipment and systems, together with requirements of manufacturer's or vendor's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's or vendors personnel. The Unions agree to install such material, equipment, and systems without incident;

(b) The Parties recognize that the Contractor will initiate from time to time the use of new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such

devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

(c) If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 9.

ARTICLE 9
SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 9.1 Cooperation and Harmony on Site

(a) This Agreement is intended to establish and foster continued close cooperation between management and labor. The Council shall assign a representative to this Project for the purpose of assisting the local Unions, and working with the City and the Contractors, to complete the construction of the Project economically, efficiently, continuously and without any interruption, delays or work stoppages.

(b) The Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 6 or 7.

(c) The Unions and/or Council shall oversee the processing of grievances under this Article and Articles 6 and 7, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 9.2 Processing Grievances Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the MLA's, but not jurisdictional disputes or alleged violations of Section 6.1 and 6.4 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his local Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business

representative of the local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to resolve the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined in 1(a) above for the adjustment of an employee complaint.

Step 2. The business manager of the involved local Union or his designee, together with the site representative of the involved Contractor, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor Party may request in writing to the other party to the grievance (with copy (ies) to the other Party (ies)) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list below, on a rotational basis in the order listed. Those arbitrators are: (1) Edna Francis; (2) David Weinberg; (3) Fredric Horowitz; (4) Sara Adler; (5) Andrea Dooley; (6) David Weinberg; and (7) Chris Cameron. The decision of the arbitrator shall be final and binding on all Parties and the fee and expenses of such arbitrations shall be borne equally by the involved Contractor(s) and the involved Union(s).

(b) Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add too, or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (i.e., conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 9.3 Limit on Use of Procedures The procedures contained in this Article shall not be applicable to any alleged violation of Articles 6 or 7, with a single exception that any employee

discharged for violation of Section 6.2, or Section 7.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 9.4 Notice The City shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the City may, in its sole discretion, designate a City staff member to participate fully as a party in all proceedings at such steps.

ARTICLE 10
REGULATORY COMPLIANCE

Section 10.1 Compliance with All Laws The Council and all Unions, Contractors, subcontractors and their employed shall comply with all applicable federal and state laws, ordinances and regulations including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the City or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 10.2 Monitoring Compliance The Parties agree that the City shall require, and that the Council and Unions may monitor, compliance by all Contractors and subcontractors with all federal and state laws regulation that, from time to time may apply to Project Work. It shall be the responsibility of the Council to investigate or monitor compliance with these various laws and regulations. The Council may recommend to the City procedures to encourage and enforce compliance with these laws and regulations.

Section 10.3 Prevailing Wage Compliance The Council or Union shall refer all complaints regarding any potential prevailing wage violation to the City, who shall process, investigate and resolve such complaints, consistent with Article 5, Section 5.4. The Council or Union, as appropriate, shall be advised in a timely manner with regard to the facts and resolution, if any, of any complaint. It is understood that this Section does not restrict any individual rights as established under the State Labor Code, including the rights of an individual to file a complaint with the State Labor Commissioner or to file a grievance for such violation under the grievance procedure set forth in this Agreement.

Section 10.4 Violations of Law Based upon a finding of violation by the City of a federal and state law, and upon notice to the Contractor that it or its subcontractors is in such violation, the City, in the absence of the Contractor or subcontractor remedying such violation, shall take such action as it is permitted by law or contract to encourage that Contractor to come into compliance, including, but not limited to, assessing fines and penalties and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the City and the Contractor, the City may cause the Contractor to remove from Project Work any subcontractor who is in violation of state or federal law.

ARTICLE 11

SAFETY

The Parties adopt the Los Angeles/Orange Counties Building and Construction Trades Council Approved Drug and Alcohol Testing Policy, a copy of which is attached hereto as Attachment D and which shall be the policy and procedure utilized under this Agreement.

ARTICLE 12
APPRENTICES

Section 12.1 Importance of Training The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the City, and the opportunities to provide continuing work under the construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in Labor/Management Apprenticeship and/or training Programs in the construction industry leading to participation in such apprenticeship programs. The City and the Council will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 12.2 Use of Apprentices

(a) Apprentices used on Projects under this Agreement shall be registered in Joint Labor Management Apprenticeship Programs approved by the State of California. Apprentices may comprise up to thirty percent (30%) of each craft's work force at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage. Where the standards permit a higher percentage, such percentage shall apply on Project Work. Where the applicable standards establish a lower percentage, the applicable Union will use its best efforts with the Joint Labor Management apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

(b) The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to utilization of apprentices. The City shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers. The Unions will assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

(c) The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeymen working on the project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

(d) All apprentices shall work under the direct supervision of a journeyperson from the trade in which the apprentice is indentured. A journeyperson shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyperson as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyperson in the apprenticeable occupation. Should a question arise as to a journeyperson's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyperson to the Council.

ARTICLE 13
PRE-JOB CONFERENCES

Each Primary Contractor which is awarded a Construction Contract by the City for Project Work shall conduct a Pre-Job conference with the appropriate affected Union(s) no later than ten (10) days prior to commencing work. The purpose of the conference will be to, among other things, determine craft manpower needs, schedule of work for the contract and project work rules/owner rules. All Contractors who have been awarded contracts by the Primary Contractor shall attend the Pre-Job conference. The Council shall be advised in advance of all such conferences and may participate if they wish. All work assignments shall be disclosed by the Primary Contractor and all Contractors at the Pre-Job conference in accordance with industry practice. Should there be Project Work that was not previously discussed at the pre-job conference, or additional project work be added, the contractors performing such work will conduct a separate pre-job conference for such newly included work. Any Union in disagreement with the proposed assignment shall notify the Contractor of its position in writing, with a copy to the City Project Manager within seven (7) calendar days thereafter. Should there be any formal jurisdictional dispute raised under Article 7, the City Project Manager shall be promptly notified. Primary Contractor shall have available at the Pre-Job conference the plans and drawing for the work to be performed on the Project.

ARTICLE 14
WORK OPPORTUNITIES PROGRAM

Section 14.1 The Parties to this Agreement support the development of increased numbers of skilled construction workers from among the Area Residents, to meet the labor needs of the Project, specifically, and the requirements of the local construction industry generally. Towards that end the Parties agree to cooperate respecting the establishment of a work opportunities program for these Area Residents, the primary goals of which shall be to maximize construction work opportunities for traditionally underrepresented members of the community. In furtherance of the foregoing, the Unions specifically agree to:

a) Encourage the referral and utilization, to the extent permitted by law and hiring hall practices, of qualified Area Residents as journeymen, and apprentices on the Project and entrance into such qualified apprenticeship and training programs as may be operated by signatory Unions; and

b) Assist Area Residents in contacting pre-apprenticeship programs that utilize the Building Trades multi-craft core curriculum (MC3) and the Apprenticeship Training Committees for the crafts and trades they are interested in. The Unions shall assist Area Residents who are seeking Union jobs on the Project and Union membership in assessing their work experience and giving them credit for provable past experience in their relevant craft or trade, including experience gained working for non-union Contractors. The Unions shall put on their rolls qualified bona fide Area Residents for work on this Project; and

c) Support local events and programs designed to recruit and develop adequate numbers of qualified workers in the construction industry.

ARTICLE 15
SAVINGS AND SEPARABILITY

Section 15.1 Savings Clause It is not the intention of the City, Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 15.2 Effect of Injunctions or Other Court Orders The Parties recognize the right of the City to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the City, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

ARTICLE 16
WAIVER

A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

ARTICLE 17
AMENDMENTS

The provisions of this Agreement can be renegotiated, supplemented, rescinded or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto.

ARTICLE 18
DURATION OF THE AGREEMENT

Section 18.1 Duration

(a) This Agreement shall be effective from the date signed by all Parties for all contracts that are executed after July 1, 2025, and shall remain in effect until June 30, 2029, with an automatic two year renewal, unless either Party provides written notice of its intent to terminate, sent no later than sixty (60) days prior to the termination date or successor termination date. Any covered Project awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project, notwithstanding the expiration date of this Agreement.

(b) This Agreement may be extended by mutual consent of the City and the signatory Unions for such further periods as the Parties shall agree to.

Section 18.2 Turnover and Final Acceptance of Completed Work

(a) Construction of any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section or segment has been turned over to the City by the Contractor and the City has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the City or third parties with the approval of the City, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the City to engage and repairs or modifications required by its contract(s) with the City.

(b) Notice of each final acceptance received by the Contractor will be provided to the Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a “punch” list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the City and Notice of Completion is issued by the City or its representative to the Contractor. At the request of the Union, complete information describing any “punch” list work, as well as any additional work required of a Contractor at the direction of the City pursuant to (a) above, involving otherwise turned-over and completed facilities which have been accepted by the City.

IN WITNESS whereof the Parties have caused this Community Workforce Agreement to be executed as of the date and year above stated.

CITY OF PALMDALE

By: _____
Salvador Mendez, City Manager Pro Tem

APPROVE AS TO FORM:

By: _____
Alexandra Halfman, Acting City Attorney

ATTEST:

By: _____
Roxanne Faber, City Clerk

LOS ANGELES/ORANGE COUNTIES BUILDING & CONSTRUCTION TRADES COUNCIL

By: _____
Ernesto Medrano, Executive Secretary

LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS

Asbestos Heat & Frost Insulators (Local 5) _____

Boilermakers (Local 92) _____

Bricklayers & Allied Craftworkers (Local 4) _____

Cement Masons (Local 600) _____

Electricians (Local 11) _____

Elevator Constructors (Local 18) _____

Gunite Workers (Local 345) _____

Iron Workers (Reinforced – Local 416) _____

Iron Workers (Structural – Local 433) _____

Southern California District Council of Laborers _____

LiUNA (Local 300) _____

LiUNA (Local 1184) _____

LiUNA (Plaster Tenders Local 1414) _____

Operating Engineers (Local 12) _____

Operating Engineers (Local 12) _____

Operating Engineers (Local 12) _____

Painters & Allied Trades DC 36 _____

Pipe Trades (Local 250) _____

Pipe Trades (Local 345) _____

Pipe Trades (Plumbers Local 761) _____

Pipe Trades (Road Sprinkler Fitters Local 669) _____

Plasterers (Local 200) _____

Roofers & Waterproofers (Local 36) _____

Sheet Metal Workers (Local 105) _____

Teamsters (Local 986) _____

Western States Regional Council
of Carpenters _____

ATTACHMENT A
LETTER OF ASSENT

To be signed by all contractors awarded work covered by the Community Workforce Agreement prior to commencing work.

[Contractor's Letterhead]
City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550
Attn: _____

Re: Community Workforce Agreement - Letter of Assent

To whom it may concern:

This is to confirm that [name of company] agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective July 1, 2025, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical letter of assent prior to their commencement of work.

Sincerely.

[Name of Construction Company]

By: [_____] Name and Title of Authorized Executive

Contractor's State License No: _____

Project Name: _____

[Copies of this letter must be submitted to the City and to the Council.]

ATTACHMENT B

LOCAL RESIDENT ZIP CODES

(TIER 1)

PALMDALE RESIDENTS

93550
93551
93552
93590
93591
93599

(TIER 2)

ANTELOPE VALEY RESIDENTS

91390
93534
93535
93523
93532
93536
93539
93553
93554
93560
93584
93586

(TIER 3)

THE REMAINING AREA ZIP CODES IN LOS ANGELES COUNTY

ATTACHMENT C

CITY OF PALMDALE
CRAFT REQUEST FORM

TO THE CONTRACTOR: Please complete and submit this form to the applicable union to request craft workers that fulfill the hiring requirements for this project. After submitting your request, please call the Local to verify receipt and substantiate their capacity to furnish workers as specified below. Please keep copies for your records.

The City of Palmdale Community Workforce Agreement establishes a goal that 30% of all of the labor and craft positions shall be from Veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, regardless of where they reside, and qualified area residents residing: first, in those first tier zip codes which overlap the City boundaries, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment B, second, area residents residing within the greater Antelope Valley area, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment B, third, area residents residing within the remainder of the County of Los Angeles. For dispatch purposes, employees described herein shall be referred to as "Local Residents." In addition, a goal of 10% of all of the labor and craft positions shall be from qualified transitional workers residing within the greater Antelope Valley area, as reflected on the attached list of zip codes. The following criteria will be used to identify transitional workers: having a gross household income below 50% of the Los Angeles County median; being homeless; a welfare recipient; having a history of involvement with the justice system; being unemployed for the previous three (3) months; or a custodial single parent.

TO THE UNION: Please complete the "Union Use Only" section on the next page and send this form back to the requesting Contractor. Be sure to retain a copy of this form for your records.

CONTRACTOR USE ONLY

To: Union Local # _____ **Fax#** (___)_____ **Date:** _____

From: Company: _____ Issued By: _____

Contact Phone: (___)_____ Contact Fax: (___)_____

PLEASE PROVIDE ME WITH THE FOLLOWING UNION CRAFT WORKERS.

Craft Classification (i.e., plumber, painter, etc.)	Journeyperson or Apprentice	Local Resident or General Dispatch	Number of workers needed	Report Date	Report Time
TOTAL WORKERS REQUESTED = _____					

Please have worker(s) report to the following work address indicated below:

Project Name: _____ Site: _____ Address: _____

Report to: _____ On-site Tel: _____ On-site Fax: _____

Comment or Special Instructions: _____

UNION USE ONLY

Date dispatch request received:
Dispatch received by:
Classification of worker requested:
Classification of worker dispatched:

WORKER REFERRED

Name:		
Date worker was dispatched:		
Is the worker referred a:	(check all that apply)	
JOURNEYPERSON	Yes _____	No _____
APPRENTICE	Yes _____	No _____
LOCAL RESIDENT	Yes _____	No _____
TRANSITIONAL WORKER	Yes _____	No _____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes _____	No _____

[This form is not intended to replace a Local Union's Dispatch or Referral Form normally given to the employee when being dispatched to the jobsite.]

ATTACHMENT D

LOS ANGELES/ORANGE COUNTIES
BUILDING AND CONSTRUCTION TRADES COUNCIL
APPROVED DRUG AND ALCOHOL TESTING POLICY

The Parties recognize the problems that drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the workplace and to maintain a drug and alcohol-free work environment, individual Contractors shall require applicants or employees to undergo drug and alcohol testing in accordance with this CWA and this policy, Attachment D – Drug and Alcohol Testing Policy, hereafter "Policy."

1. It is understood that the use, possession, transfer, or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession of or consuming alcohol is absolutely prohibited while employees are on the Contractor's job premises or while working on any jobsite in connection with work performed under the CWA.

2. No Contractor may implement a drug and alcohol testing program that does not conform in all respects to the provisions of this Policy.

3. No Contractor may implement drug and alcohol testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Prime Contractor's project manager. Said notice shall be provided at the pre-job conferences for each Covered Project. Failure to give such notice shall make any drug and alcohol testing engaged in by the Contractor a violation of the CWA and subject to the Article 10 grievance procedure.

4. A Contractor who elects to implement drug and alcohol testing pursuant to this Policy shall require all craft employees on the Covered Project to be tested. With respect to individuals who become employed on the Covered Project subsequent to the proper implementation of a valid drug and alcohol testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to proper implementation of a valid drug and alcohol testing program may only be subjected to testing for the reasons set forth in paragraphs 5(g)(l) through 5(g)(3) and paragraphs 6(a) through 6(e) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.

5. The following procedure shall apply to all drug and alcohol testing:

a. The Contractor may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Contractor shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. A Contractor may request an applicant or employee promptly, within four (4) hours of the Contractor's request, perform an alcohol breathalyzer test at a certified laboratory only, and cutoff levels shall be those mandated by applicable state or federal law.

c. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Contractor and the Union.

d. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMIT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography/Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by SAMHSA and this Policy. Should these SAMHSA levels be changed during the course of the CWA or new testing procedures are approved, then these new regulations will be deemed as part of this existing CWA. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one (1) year. Handling and transportation of each sample must be documented through strict chain-of-custody procedures.

e. In the event of a confirmed positive test result, the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Contractor between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results, the Contractor may require a third test, at the Contractor's expense.

f. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the project.

g. No individual who tests negative for drugs and alcohol pursuant to the above procedure and becomes employed on the project shall again be subjected to drug and alcohol testing with the following exceptions:

1) Employees who are involved in industrial accidents resulting in damage to plant, property, or equipment or injury to him/her or others may be tested for drugs or alcohol pursuant to the procedures stated hereinabove.

2) The Contractor may test employees following thirty (30) days' advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be sent by certified mail to the affected Union with a copy to the Project Labor Coordinator. Such testing shall be pursuant to the procedures stated hereinabove.

3) The Contractor may test an employee where the Contractor has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (e.g., slurred speech, unusual lack of muscular coordination). Such behavior must be actually observed by at least two (2) persons, one (1) of whom shall be a supervisor who has been trained to recognize the symptoms of drug and alcohol abuse or impairment and the other of whom shall be the Job Steward. If the Job Steward is unavailable or there is no Job Steward on the Covered Project, the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Contractor's payroll.

h. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug and alcohol testing. Payment shall be at the applicable wage and benefit rates set forth in the Applicable Prevailing Wage Laws. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The Contractors will be allowed to conduct periodic jobsite drug and alcohol testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than fifteen (15) days after start of the work on the project;

c. Prior to start of periodic testing, a Business Representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by an SAMHSA-certified laboratory, pursuant to the provisions set forth in paragraph 5 hereinabove.

e. Only two (2) periodic tests may be performed in a twelve (12)-month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Contractor to remove the employee from the jobsite.

8. Any grievance or dispute that may arise out of the application of this Policy shall be subject to the grievance and arbitration procedures set forth in the CWA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule, or regulation. Should any part of this Policy be found unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the Parties, the remaining portions of the CWA shall be unaffected, and the Parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed, the Contractor shall not discriminate in any way against the employee. If work for which the employee is qualified exists, he/she may be reinstated.

11. The Contractor agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Contractor representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release by the employee, and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs will be subject to all Contractor rules, regulations, and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

13. The Contractor shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Policy.

14. This Policy shall constitute the only Policy in effect between the Parties concerning drug and alcohol abuse, prevention, and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the Parties.

SPECIMEN REPORTING CRITERIA

Initial Test Analyte	Initial Test Cutoff [1]	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Marijuana metabolites (THCA)[2]	50 ng/ml [3]	THCA	15 ng/ml
Cocaine metabolite (Benzoylecgonine)	150 ng/ml [3]	Benzoylecgonine	100 ng/ml
Codeine/ Morphine	2000 ng/ml	Codeine Morphine	2000 ng/ml 2000 ng/ml
Hydrocodone/ Hydromorphone	300 ng/ml	Hydrocodone Hydromorphone	100 ng/ml 100 ng/ml
Alcohol	0.02%	Ethanol	0.02%
Oxycodone/ Oxymorphone	100 ng/ml	Oxycodone Oxymorphone	100 ng/ml 100 ng/ml
6-Acetylmorphine	10 ng/ml	6-Acetylmorphine	10 ng/ml
Phencyclidine	25 ng/ml	Phencyclidine	25 ng/ml
Amphetamine/ Methamphetamine	500 ng/ml	Amphetamine Methamphetamine	250 ng/ml 250 ng/ml
MDMA[4]/MDA[5]	500 ng/ml	MDMA MDA	250 ng/ml 250 ng/ml
Initial Test Analyte	Initial Test Cutoff	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Barbiturates	300 ng/ml	Barbiturates	200 ng/ml
Benzodiazepines	300 ng/ml	Benzodiazepines	300 ng/ml
Methadone[6]	300 ng/ml	Methadone	100 ng/ml
Methaqualone	300 ng/ml	Methaqualone	300 ng/ml
Propoxyphene	300 ng/ml	Propoxyphene	100 ng/ml

[1] For grouped analytes (i.e., two or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be 80 percent or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

[2] An immunoassay must be calibrated with the target analyte, 9-tetrahydrocannabinoJ-9- carboxylic acid (THCA).

[3] **Alternate technology (THCA and benzoylecgonine):** The confirmatory test cutoff must be used for an alternate technology initial test that is specific for the target analyte (i.e., 15 ng/ml for THCA, 100 ng/ ml for benzoylecgonine).

[4] Methylenedioxymethamphetamine (MDMA)

[5] Methylenedioxyamphetamine (MDA)

[6] Employees with a prescription for methadone who are using the medication as prescribed, and are not impaired and can safely perform their work, will not be considered to have violated this Policy.

MEMORANDUM OF UNDERSTANDING REGARDING
"QUICK" DRUG SCREENING TESTS

It is hereby agreed between the Parties hereto that a Contractor who has otherwise properly implemented drug and alcohol testing, as set forth in the Policy, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the "quick" screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the "quick" screen tests, shall be tested pursuant to the procedures set forth in the Policy. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Policy as a result of any occurrence related to the "quick" screen test.

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **2**

SUBJECT: **AWARD AND APPROVE AGREEMENT WITH DEARK E&C, INC., FOR CONSTRUCTION SERVICES FOR PN 887, MARIE KERR PARK BEST OF THE WEST CONCESSION STAND PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF $560,995 FOR A TERM OF 45 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Award and Approve Construction Agreement No. A-9273 with Deark E&C, Inc., for PN 887, Marie Kerr Park Best of the West Concession Stand Project for a total not to exceed amount of $560,995 which includes a contract amount of $509,995 plus a 10% contingency amount of $51,000 for a term of 45 working days from the date of the Notice to Proceed; and,

2. Authorize the City Manager Pro Tem or his designee to execute Agreement No. A-9273 with Deark E&C, Inc., including minimal and/or non-substantial changes.

3. Authorize the City Manager Pro Tem or his designee to approve change orders for additional or changed scope of work up to the 10% contingency amount approved by the Council.

BACKGROUND

Project No. 887 will construct a new concession stand that will sell snacks and beverages. The project consists of site preparation, ADA improvements, landscaping, and all necessary utility connections. The City has purchased a ROMTEC Concession Stand. The contractor is responsible for the construction of the concession stand building using the ROMTEC plans and specifications. The duration of the project to complete the work is 45 working days.

DISCUSSION

On March 13, 2025, the project was advertised for construction bids via the Planet Bids electronic platform. On April 3, 2025, the City received three (3) bids for the project, which have been reviewed and are summarized below:

Bidder	Location	Amount
1. JT Construction Group, Inc.	Sun Valley, CA	$291,994.00
2. Deark E&C, Inc.	Fullerton, CA	$509,995.00
3. Golden Sun Firm	Tarzana, CA	$560,860.00

JT Construction Group, Inc. was initially identified as the lowest bidder and was awarded the project by the City Council on May 6, 2025. However, the company was unable to secure the necessary bonds to meet the City's requirements.

On June 3, 2025, staff provided a Notice of Rejection of Award letter to JT Construction Group, Inc. and awarded the contract to the second-lowest responsible bidder, Deark E&C, Inc., with a proposed bid of $509,995. This proposed bid is 15% within the Engineer's Estimate and a reasonable construction cost.

Staff recommend that the City Council approve construction contract with Deark E&C, Inc., in the amount of $509,995, which includes a 10% contingency of $51,000, for a total not to exceed $560,995.

FISCAL IMPACT

$560,995; Funds for this project are budgeted and available, utilizing General and Measure AV funds.

STRATEGIC PLAN

Goal IV: Maintain a desirable community where everyone wants to live, work, and play.

B: Provide inclusive access to a variety of supportive services that build a resilient and healthy community.

Prepared by:	Leonardo Torres, P.E. Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Agrmt No. A-9273 with Deark E&C, Inc.

AGREEMENT NO. A- 9273
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND DEARK E&C, INC.

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and DEARK E&C, INC., a California Corporation ("Contractor"). Contractor and City are collectively referred to herein as the “parties.” This Contract shall become effective on the date of the last signatory.

1 Scope of Work

Contractor shall complete the Project in accordance with this Contract. Contractor shall furnish all materials and perform all work required for the completion of the following Project:

Marie Kerr Park Best of the West Concession Stand Project, PN 887

The general items of work to be done hereunder consists of site preparation, landscaping, and installation of a concession stand building at the Marie Kerr Park Best of the West Softball Complex and ADA upgrades to the Marie Kerr Park Best of the West parking lot.

2 Standard Specifications

Standard Specifications for City projects are those contained in the 2024 Greenbook edition of the "Standard Specifications for Public Works Construction" (the "Greenbook"). Except as otherwise expressly provided herein, the Standard Specifications shall control the general provisions, construction materials, and construction methods for this Contract (except as amended by the Plans for the Project), the General Specifications for the Project, the Special Provisions for the Project, any technical specifications for the Project, and any other contract documents.

3 Compensation

City shall pay Contractor the total, all-inclusive, NOT-TO-EXCEED amount of Five Hundred Nine Thousand Nine Hundred Ninety-Five Dollars ($509995.00) for the construction of the Project. This amount shall cover all expenses for labor, materials, and any and all other costs incurred by Contractor to satisfactorily construct the Project. Unless otherwise provided in the bid documents or agreed upon by the parties, Contractor shall submit detailed, monthly invoices for work actually performed.

4 Completion Date

The construction of the Project shall commence upon Contractor being given a written notice to proceed, and shall be completed within 45 working days of said notice.

5 Payment and Performance Bonds; Guaranty

Unless otherwise expressly provided in the bid documents, prior to commencing work, Contractor shall provide a payment bond and performance bond, each in an amount equal to 100% of the projected annual recurring services price for each year of the term of the contract. Contractor shall submit all bonds electronically through Surety 2000. Pursuant to the bid documents for this Project, the Contractor is required to provide a written guaranty of Contractor's work. In furtherance thereof, Contractor shall execute the written form of Guaranty attached hereto and incorporated by reference herein.

6 Licenses

At all times during the term of this Contract, Contractor shall possess a valid and current Class B Contractor's License **or Specialty Contractor License consisting of Class licensee** to perform the required work ("Work"). Contractor's DIR registration number is 1000579126. Contractor hereby certifies that it holds the required license(s).

7 Subcontracting

Subject to any self-performance requirements herein, Contractor may subcontract any portion of the work required by this Contract to other persons or firms, and Contractor submitted with its bid a list of those subcontractors who will perform work in an amount in excess of one-half of one percent (1%) of the Contractor's total bid, in compliance with the Subletting and Subcontracting Fair Practices Act, California Public Contract Code § 4100, et seq. Only such listed subcontractors may perform on this Project.

8 Non-Assignability

Neither this Contract nor any rights, title, interest, duties or obligations under this Contract may be assigned, transferred, conveyed or otherwise disposed of by Contractor without the prior written consent of City.

9 Administration

This Contract will be administered by the Public Works Department of the City. The Director of Public Works or his or her designee shall be considered the Project Administrator and shall have the authority to act for the City under this Contract.

10 Indemnification

To the maximum extent permitted by law, Contractor shall indemnify, protect, defend and hold harmless the City, its Board of Director, the City's officers, employees, agents, volunteers, and representatives (“Indemnitees”) with respect to any and all claims, suits, actions, stop notices, liabilities and/or damages, including related expenses, attorney's fees and costs, based on, arising out of, or in any way related to the work undertaken by Contractor pursuant to this Contract, and in connection with the Project.

11 Liability Insurance

11.1 Without limiting Contractor's indemnification of City, as described in paragraph 10, and unless modified by City, Contractor shall obtain, provide and maintain, at its own expense, during the term of this Contract, a policy or policies of insurance, satisfactory to the City, from insurance carriers admitted to do business in the State of California and rated in A.M. Best’s Insurance Guide with a rating of A:VII or better, which contain the coverage described below.

11.1.1 Commercial General Liability
- $2,000,000.00 limit on a per occurrence basis
- $5,000,000.00 general aggregate limit

11.1.2 Commercial Automobile Liability
- $2,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.1.3 Workers’ Compensation and Employer’s Liability
- Workers’ Compensation -- coverage as required by the State of California
- Employer’s Liability --
  $1,000,0000.00 each accident
  $1,000,000.00 policy limit bodily injury
  $1,000,000.00 each employee bodily injury by disease

11.1.4 Pollution/Environmental Liability*
- $2,000,000.00 limit on a per occurrence basis

11.2 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the City as an additional insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the City, and any other insurance maintained by the City shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The certificates shall state: “The City of Palmdale, Successor Agency to the

Community Redevelopment Agency of the City of Palmdale, Palmdale Civic Authority, Housing Authority, Industrial Development Authority, Airport Authority, their officers, agents, employees and volunteers are named as additional insured".

B. "Severability of Interest" Clause.

11.3 Promptly upon execution of this Contract, and prior to commencement of any work, CONTRACTOR shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that CONTRACTOR has the required coverage and showing the required named insured. Within five (5) days of written request from CITY, CONTRACTOR shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

11.4 Said Certificates of Insurance shall provide that thirty (30) days' prior written notice of cancellation shall be given to the City in the event of cancellation and/or reduction in coverage of any nature.

11.5 The required policies of insurance shall be endorsed to waive all rights of subrogation. Contractors waives all rights of subrogation.

11.6 Acceptable Proof of Insurance:

A. ACORD Certificate of Insurance listing all coverage, limits, deductibles and insured; and endorsements for all applicable coverage if agent has authority to issue it; or additional insured Form CG20100704 and CG20370704 or equivalent must be provided for general liability coverage. Additional insured form CA0001 must be provided for automobile liability coverage.

B. Binders of insurance for all coverage. Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements and a corresponding Certificate of Insurance listing all insurers and coverage must be submitted to the City Attorney.

C. *When pollution/environmental liability coverage is provided on a "claims made basis", CONTRACTOR will continue to renew the insurance for a period of five (5) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONTRACTOR, or its officers, employees, or agents during the time this Agreement was in effect.

11.7 The requirements as to the types and limits of insurance to be maintained by CONTRACTOR are not intended to and shall not in any manner limit or qualify CONTRACTOR's liabilities and obligations under this Contract.

11.8 Any policy or policies of insurance that CONTRACTOR elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against CITY.

11.9 Notwithstanding any other provision of this Contract, CITY may immediately terminate this Contract if, at any time CONTRACTOR fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

11.10 CONTRACTOR shall require any and all subcontractors working on its behalf to provide insurance coverages and limits that are based on the scope of work and nature of risk being performed by the subcontractor. Any and all subcontractors working on behalf of CONTRACTOR shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONTRACTOR's sole risk. CONTRACTOR's insurance requirements in Section 11 will not be impacted and/or limited by such deviation.

12 State Labor Code

12.1 This Contract calls for work to be performed constituting public works. Contractor and all subcontractors shall pay the general prevailing rate of per diem wages as determined and as published by the State Director of the Department of Industrial Relations pursuant to Article 2 of Chapter 1 of Part 7, of Division 2 of the State Labor Code, including, but not limited to, Sections 1770, 1771, 1773, 1773.2 and 1774.

12.2 This is a public work and requires the payment of prevailing wages for the work or craft in which the worker is employed for any public work done under the contract by Contractor or by any subcontractor pursuant to Section 1771 of the Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of workman needed to execute this contract from the Director of the Department of Industrial Relations. These rates are on file with the City or may be obtained at http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm.

Contractor shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates as a minimum. Contractor shall comply with the provisions of Sections 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Contractor shall forfeit to the City, as a penalty, not more than $200.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated

prevailing rates for any work done under this Contract, by him or by any subcontractor under him, in violation of the provisions of this Agreement.

12.3 Contractors and subcontractors who are ineligible to bid for work on, or be awarded, a public works project pursuant to Labor Code Sections 1777.1 and 1777.7 are prohibited from bidding on, being awarded, or performing work as a subcontractor, on this Project pursuant to Public Contract Code Section 6109.

12.4 Contractor's attention is directed to the provisions in Sections 1774, 1775, 1776, 1777.5 and 1777.6 of the Labor Code. Contractor shall comply with the provisions in these Sections. The statutory provisions for penalties for failure to comply with the State's wage and hours laws will be enforced. Pursuant to Section 1775 of the Labor Code, the Contractor and any subcontractors, shall, as a penalty to the City forfeit the prescribed amounts per calendar day, or portion thereof, for each worker paid less than the prevailing wage rates.

12.5 Pursuant to Labor Code Section 1771.4, the Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

12.6 Each Contractor and subcontractor shall furnish the records specified in Labor Code Section 1776 directly to the State Labor Commissioner at least monthly in the format prescribed by the State Labor Commissioner.

12.7 Sections 1774 and 1775 require the Contractor and all subcontractors to pay not less than the prevailing wage rates to all workmen employed in the execution of the Contract and specify forfeitures and penalties for failure to do so. The minimum wages to be paid are those determined by the State Director of the Department of Industrial Relations. Section 1776 requires the Contractor and all subcontractors to keep accurate payroll records, specifies the contents thereof, their inspection and duplication procedures and certain notices required of the Contractor pertaining to their location.

12.8 Section 1777.5 of the Labor Code requires Contractor or subcontractor employing workers in any apprenticeable occupation to apply to the Joint Apprenticeship Committee nearest the site of the public works project, which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentices to journeymen to be used in the performance of the Contract. The Contractor is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeable trade and if other contractors on the public works site are making such contributions. Information relative to apprenticeship standards, contributions, wage schedules and other requirements may be obtained from the State Director of Industrial Relations or from the Division of Apprenticeship Standards. Section 1777.6 of the Labor Code provides

that it shall be unlawful to refuse to accept otherwise qualified employees as registered apprentices solely on the grounds of race, religious creed, color, national origin, ancestry, sex, or age.

12.9 Eight hours labor constitutes a legal day's work, as set forth in Labor Code

Section 1810. The statutory provisions for penalties for failure to comply with the State's wage and hour laws will be enforced as set forth in Labor Code Section 1813.

13 Antitrust Claims

In entering into this Agreement, Contractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the California Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Agreement. This assignment shall be made and become effective at the time the City tenders final payment to Contractor without further acknowledgment by the parties.

14 Trenching and Excavations

Pursuant to Public Contract Code Section 7104, if the Project involves trenching more than four (4) feet deep, Contractor shall promptly and before the following conditions are disturbed notify the City in writing of any:

14.1 Material that Contractor believes may be material that is hazardous waste, as defined in California Health and Safety Code Section 25117, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; and/or

14.2 Subsurface or latent physical conditions at the site differing from those indicated; and/or

14.3 Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

14.4 As required by Labor Code Section 6705 and in addition thereto, whenever work under the Contract that involves an estimated expenditure in excess of twenty-five thousand dollars ($25,000) for the excavation of any trench or trenches five (5) feet or more in depth, Contractor shall submit for acceptance by City in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation, of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of

Industrial Safety, the plan shall be prepared by a registered civil or structural engineer employed by Contractor, and all costs therefor shall be included in the price of the Contract. Nothing in this provision shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this provision shall be construed to impose tort liability on the City or on any City officer, agent, consultant, representative, or employee. All plans, processing and shoring costs are Contractor's responsibility and must be included in Contractor's bid.

15 Location of Existing Elements

Pursuant to Government Code Sections 4216 to 4216.9, the methods used and costs involved to locate existing elements, points of connection and all construction methods are Contractor's sole responsibility. Accuracy of information furnished, as to existing conditions, is not guaranteed. Contractor, at its sole expense, must make all investigations necessary to determine locations of existing elements, which may include, without limitation, contacting U.S.A. alert and other private underground locating firm(s), and/or utilizing potholes, specialized locating equipment and/or hand trenching.

16 Third Party Claims

Pursuant to Public Contract Code Section 9201, the City has full authority to compromise or otherwise settle any claim relating to this Contract at any time. The City shall timely notify Contractor of the receipt of any third-party claim relating to the Contract. The City shall be entitled to recover its reasonable costs incurred in providing the notification required by Public Contract Code Section 9201(b).

17 Non-Collusion

Contractor hereby certifies that this bid is genuine and not a sham or collusive, or made in the interest or on behalf of any person or business not herein named. Contractor further certifies that Contractor has not directly or indirectly induced or solicited any other bidder to furnish a sham bid, or any other person or business to refrain from bidding, and Contractor has not in any manner sought by collusion to secure itself an advantage over any other bidder. Contractor also affirms that it has signed and submitted with its bid to the City a Non-collusion Declaration as required by Public Contract Code Section 7106.

18 Conflicts of Interest

Contractor agrees not to accept any employment or representation during the term of this Contract or within twelve (12) months after completion of the work under this Contract which is or may likely make Contractor "financially interested," as provided in Government Code Section 1090 and 87100, in any decisions made by City on any

matter in connection with which Contractor has been retained pursuant to this Contract.

19 Audit

The City or its representative shall have the option of inspecting and/or auditing all records and other written materials used by Contractor in preparing its billings to the City as a condition precedent to any payment to Contractor. Contractor will promptly furnish documents requested by the City. Additionally, pursuant to Government Code Section 8546.7, if this Contract involves the expenditure of public funds in excess of ten thousand dollars ($10,000), Contractor shall be subject to State Auditor examination and audit at the request of the City or as part of any audit of the City, for a period of three (3) years after final payment under this Contract.

20 Substitute Security

Pursuant to Public Contract Code Section 22300, the substitution of securities for any moneys withheld by the City to ensure performance under a contract is permitted, except where financing will be provided by the Farmers Home Administration of the United States Department of Agriculture pursuant to the Consolidated Farm and Rural Development Act (7 U.S.C. Sec. 1921 *et seq*.) or where federal regulations or policies, or both, do not allow the substitution of securities. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in the State of California as the escrow agent, that shall then pay those moneys to Contractor. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor.

Alternatively, Contractor may request and the City shall make payment of retentions earned directly to the escrow agent at the expense of Contractor. At the expense of Contractor, Contractor may direct the investment of the payments into securities, and Contractor shall receive the interest earned on the investments upon the same terms provided for securities deposited by Contractor. Upon satisfactory completion of the Contract, Contractor shall receive from the escrow agent all securities, interest, and payments received by the escrow agent from the City, pursuant to the terms of this section.

Securities eligible for investment shall include those listed in California Government Code Section 16430, bank or savings and loan certificates of deposit, interest-bearing demand deposit accounts, standby letters of credit, or any other security to which Contractor and the City agree in writing. Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall receive any interest thereon.

If Contractor elects to receive interest on moneys withheld in retention by the City, it shall, at the request of any subcontractor performing more than five percent (5%) of Contractor’s total bid, make that option available to the subcontractor regarding any

moneys withheld in retention by Contractor from the subcontractor. If Contractor elects to receive interest on any moneys withheld in retention by the City, then the subcontractor shall receive the identical rate of interest received by Contractor on any retention moneys withheld from the subcontractor by Contractor, less any actual pro rata costs associated with administering and calculating that interest. In the event that the interest rate is a fluctuating rate, the rate for the subcontractor shall be determined by calculating the interest rate paid during the time that retentions were withheld from the subcontractor. If Contractor elects to substitute securities in lieu of retention, then, by mutual consent of Contractor and its subcontractor, the subcontractor may substitute securities in exchange for the release of moneys held in retention by Contractor. No Contractor shall require any subcontractor to waive any provision of this paragraph.

The escrow agreement for security deposits in lieu of retention shall be substantially similar to the form provided in Public Contract Code Section 22300(f).

21 Claims Dispute Resolution

In the event of any dispute or controversy with the City over any matter whatsoever, the Contractor shall not cause any delay or cessation in or of Work, but shall proceed with the performance of the Work in dispute. The Contractor shall retain any and all rights provided that pertain to the resolution of disputes and protests between the parties. The Disputed Work will be categorized as an “unresolved dispute” and payment, if any, shall be as later determined by mutual agreement or a court of law. The Contractor shall keep accurate, detailed records of all Disputed Work, claims and other disputed matters.

All claims arising out of or related to the Contract documents or this Project, and the consideration and payment of such claims, are subject to the Government Claims Act (Government Code Section 810 et seq.) with regard to filing claims. All such claims are also subject to Public Contract Code Section 9204 and Public Contract Code Section 20104 et seq. (Article 1.5), where applicable. This Contract hereby incorporates those provisions as though fully set forth herein. Thus, the Contractor or any Subcontractor must file a claim in accordance with the Government Claims Act as a prerequisite to filing a construction claim in compliance with Section 9204 and Article 1.5 (if applicable), and must then adhere to Section 9204 and Article 1.5 (as applicable), pursuant to the definition of “claim” as individually defined therein.

22 Non-discrimination and Equal Employment Opportunity

22.1 In performance of this Contract, CONTRACTOR shall not discriminate against any employee, subcontractor, or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, age, gender, gender identity,

gender expression, genetic information, or military and veteran status. CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, age, gender, gender identity, gender expression, genetic information, or military and veteran status . Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

22.2 The provisions of subsection 16.1 above shall be included in all solicitations or advertisements placed by or on behalf of CONTRACTOR for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of CONTRACTOR and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

23 Integration

This Contract supersedes any and all agreements, either oral or written, between the parties hereto with respect to the construction of the Project by Contractor for City and contains all of the covenants and agreements between the parties with respect to the construction of the Project. Each party to this Contract acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made with regard to the construction of the Project by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise regarding work not contained in this Contract shall be valid or binding. Any modification or amendment of this Contract will be effective only if it is in writing and signed by the parties to this Contract. Any changes to the work required by this Contract will be by change order signed by the parties.

24 Debarment and Suspension Certification
Title 2, Code of Federal Regulations, Part §180.300
The bidder, under penalty of perjury, certifies that, except as noted in a separate document, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, or manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- does not have a proposed debarment pending; and

- has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

25 Governing Law

This Contract will be governed by and construed in accordance with the laws of the State of California without reference to change of venue laws. Any legal action in which enforcement of the terms and conditions of this Contract is requested, or in which it is alleged that a breach of this Contract has taken place, shall be filed and prosecuted in the County of Los Angeles, California.

26 Successors and Assigns

The terms and conditions of this Contract shall be binding on the successors and assigns of the parties to this Contract.

27 Exhibits

The exhibits and attachments referenced in this Contract are attached hereto and incorporated herein by this reference as though set forth in full in the Contract.

28 Authority to Sign

The person or persons executing this Contract on behalf of the Contractor warrant and represent that they have the authority to execute this Contract on behalf of the Contractor and have the authority to bind Contractor to the construction of the Project.

29 Time is of the Essence

Time is of the essence in every provision of this Agreement in which time to perform is a factor.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE

SIGNATURE AREA

Salvador Mendez Date
City Manager Pro Tem

SIGNATURE AREA

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38250 Sierra Highway
Palmdale, CA 93550

APPROVE AS TO FORM:

SIGNATURE AREA

Alexandra Halfman
Acting City Attorney

ATTEST:

SIGNATURE AREA

Roxanne Faber
City Clerk

DEARK E&C, INC.

SIGNATURE AREA

Sean Lee Date
Controller

ADDRESS FOR NOTICE:
DEARK E&C, INC.
1335 W. Valencia Dr., Suite P
Fullerton, CA 92833

ATTEST: If Corporation

SIGNATURE AREA

Secretary

[Signatures of contractor on bond(s) must be notarized. Obtain two corporate signatures if contractor is a corporation.]

---------- INTERNAL USE ONLY ----------

□Certificate(s) and Endorsement(s) attached
□Confirmed business name on contract with certificate(s)
□Attached notarized bond(s), Worker's Compensation Certificate, and Guaranty
□Attached Agreement Checklist and met all requirements
□2 CFR 200 Checklist (if federally funded)

MARIE KERR PARK - BEST OF THE WEST

CONCESSION STAND

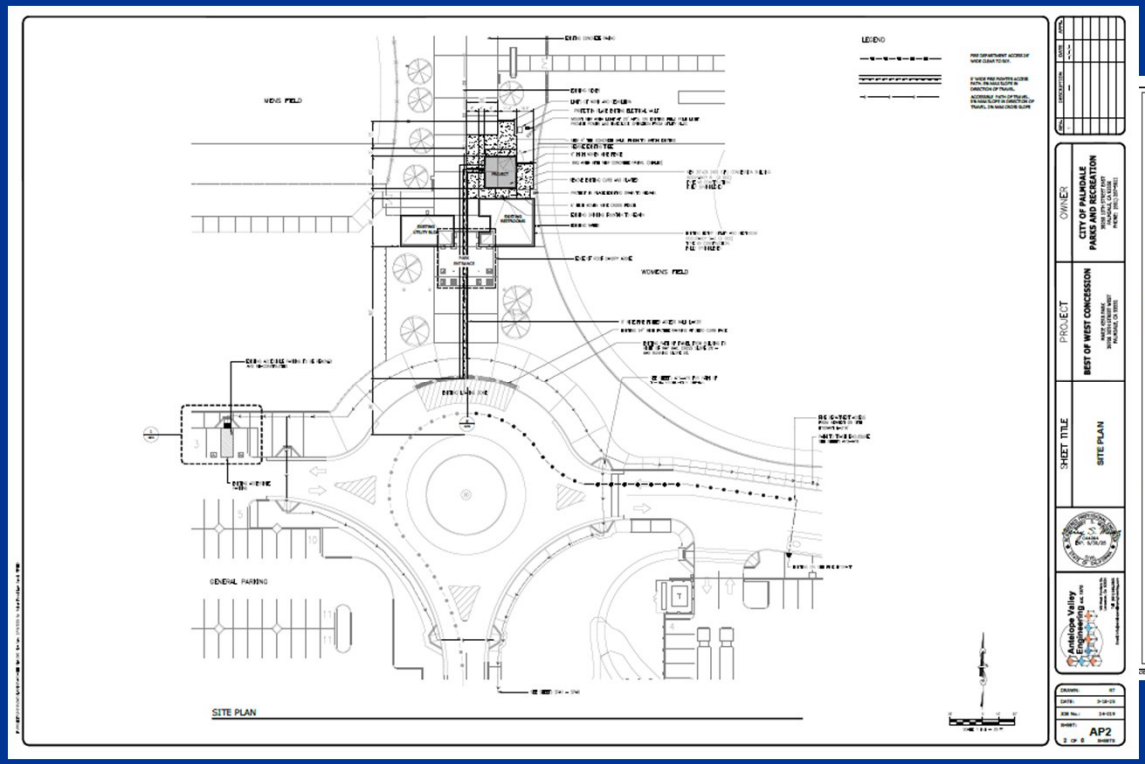


FUTURE CONCESSION STAND PROJECT LOCATION AT BEST OF THE WEST SOFTBALL PARK

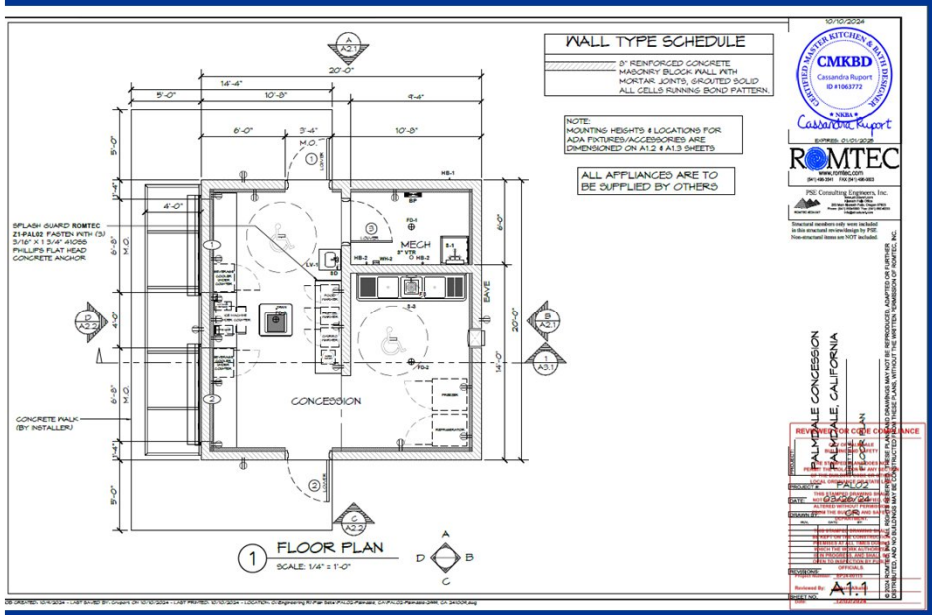
MARIE KERR PARK BEST OF THE WEST

CONCESSION STAND

SITE PLAN



FLOOR PLAN



MARIE KERR PARK BEST OF THE WEST

CONCESSION STAND RENDERING



City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
MAINTENANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE REQUISITION WITH WALSMA OIL COMPANY, INC. FOR BULK DIESEL AND UNLEADED FUEL IN AN AMOUNT NOT TO EXCEED $650,000 FOR FISCAL YEAR 2025-26**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Requisition No. 260000 with Walsma Oil Company, Inc. for bulk diesel and unleaded fuel in an amount not to exceed $650,000; and,

2. Authorize the City Manager Pro Tem or his designee to approve the requisition and resulting purchase order with Walsma Oil Company, Inc., including minimal and/or non-substantial changes.

BACKGROUND

The City's Fleet Maintenance manages more than 350 vehicles, large construction equipment, generators, trailers, and other specialized maintenance equipment. This requires a consistent and reliable supply of bulk diesel and unleaded fuel to support essential operations, including public works, emergency response, and general municipal services. Bulk purchasing fuel ensures availability, operational efficiency, and competitive pricing to address these needs. Bulk diesel and unleaded fuel deliveries to the City's on-site station are essential to meeting the City's operational needs, maintaining service efficiency, product availability, fuel security, and cost control.

DISCUSSION

On February 20, 2024, the City released Invitation for Bid (IFB) No. 24-001-3300 for bulk diesel and unleaded fuel and received one proposal from Walsma Oil Company, Inc.

On June 26, 2024, the City Council awarded Walsma Oil Company, Inc. a purchase order contract for fiscal year 2024-25 in the amount of $650,000. The contract includes two optional one-year extensions, subject to mutual agreement and continued compliance with pricing and service terms. Therefore, the City is exercising the first option to extend the purchase order contract with Walsma Oil Company, Inc. for fiscal year 2025-26.

Although fuel pricing is subject to market fluctuations, the requisition amount factors in the vendor's price schedule, historical fuel usage data, and projected departmental needs. The requested amount is consistent with prior-year usage and remains within approved budget allocations.

Approval of this requisition will provide timely and cost-effective fuel access and ensure uninterrupted City services.

FISCAL IMPACT

$650,000; Sufficient funds for the requisition and resulting Purchase Order with Walsma Oil Company, Inc. are budgeted in Fleet Maintenance supply account 15433006-734100.

STRATEGIC PLAN

Goal III. Invest in infrastructure to improve community livability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

Prepared by:	Leonardo Torres, P.E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Req. No. 260000 with Walsma Oil Company, Inc.

Bill To	Requisition 00260000-00 FY 2026
FINANCE DEPARTMENT	PO 2026xxxx
38300 SIERRA HWY	Acct No:
STE D	15433006-734100
PALMDALE, CA	Review:
93550	Buyer:
	Status: Allocated

Vendor	Ship To
WALSMA OIL CO INC	PUBLIC WORKS/MAINTENANCE
44141 N YUCCA AVE	39110 3RD ST EAST
PO BOX 17	
	PALMDALE, CA 93550
LANCASTER, CA 93534	ADYER@CITYOFPALMDALE.ORG
Tel#661-945-4772 X200	Delivery Reference
Fax 661-723-0116	ADYER

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
06/09/25	004313		DESTINATION/NET45		STREET MAINTENANCE

LN	Description / Account	Qty	Unit Price	Net Price
001	DIESEL AND UNLEADED FUEL; MOTOR OIL AND LUBRICANTS AS NEEDED	1.00 DL	650000.00000	650000.00

Additional Description Notes

THIS FY 2025-2026 BLANKET PURCHASE ORDER AS A RESULT OF IFB 24-001-3300 CITY COUNCIL APPROVED ON JUNE 26, 2024. THE TERM IS ONE YEAR, COMMENCING JULY 1, 2025. THIS IS THE FIRST OPTION TO EXTEND ONE ADDITIONAL YEAR.

1	15433006-734100	650000.00

Requisition Link

Requisition Total 650000.00

***** General Ledger Summary Section *****

Account	Amount	Remaining Budget
15433006-734100	650000.00	

***** Approval/Conversion Info *****

Activity	Date	Clerk	Comment
E-mail	TBD	Adam Dyer	
E-mail	TBD	Bruce Roadhouse	
E-mail	TBD	Leonardo Torres	
E-mail	TBD	Stephanie Autry	
E-mail	TBD	Janelle Samson	
E-mail	TBD	Matthew Harris	
E-mail	TBD	Candice Mantell	
E-mail	TBD	Dawn McIntosh	

Bill To	Requisition 00260000-00 FY 2026
FINANCE DEPARTMENT	PO 2026xxxx
38300 SIERRA HWY	Acct No:
STE D	15433006-734100
PALMDALE, CA	Review:
93550	Buyer:
	Status: Allocated

Vendor	Ship To
WALSMA OIL CO INC	PUBLIC WORKS/MAINTENANCE
44141 N YUCCA AVE	39110 3RD ST EAST
PO BOX 17	
	PALMDALE, CA 93550
LANCASTER, CA 93534	ADYER@CITYOFPALMDALE.ORG
Tel#661-945-4772 X200	Delivery Reference
Fax 661-723-0116	ADYER

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
06/09/25	004313		DESTINATION/NET45		STREET MAINTENANCE

LN	Description / Account	Qty	Unit Price	Net Price

Authorized By: _____ Date: _____
Signature

ATTACHMENT A
PRICE SCHEDULE
IFB No. 24-001-3300 Bulk Diesel & Unleaded Fuel

Vendor: **Walsma Oil Company, Inc.,** Lancaster ,CA

		FY 2024-25 Original Bid				FY 2025-26 Option to Extend #1			
Item No.	**Product Description**	**OPIS Net Reference City & Average Rack Price (Los Angeles, CA) as of February 20, 2024**	**Per Gallon Rack Price (Los Angeles, CA) as of February 20, 2024**	**Per Gallon Bid Margin/Markup**	**Total per Gallon Bid Price (for evaluation purposes only)**	**OPIS Net Reference City & Average Rack Price (Los Angeles, CA) as of June 06,2025**	**Per Gallon Rack Price (Los Angeles, CA) as of June 06, 2025**	**Per Gallon Bid Margin/Markup**	**Total per Gallon Bid Price (for evaluation purposes only)**
1	Regular Unleaded 87 Octane Fuel	$2.90	$2.90	$0.25	$3.15	$3.01	$3.01	$0.25	$3.26
2	R99 or R100 renewable diesel fuel	$3.22	$3.22	$0.25	$3.47	$2.86	$2.86	$0.25	$3.11
Item No.	**Product Description**			**Unit of Measure**	**Cost**			**Unit of Measure**	**Cost**
3	One Delivery of Two (2) Tanks (If Applicable)			Each				Each	
4	Other: Pump Charge (If Applicable)			Each				Each	
5	Freight Charge (If Applicable)			Each				Each	
6	Emergency Delivery provided within 12 hours notice (If Applicable)			Each				Each	
7	Emergency Delivery provided within 24 hours notice (If Applicable)			Each	$200.00			Each	$200.00
	Total Sum of Items 1-7				**$206.62**				**$206.37**

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
MAINTENANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE CHANGE ORDERS TO INCREASE PURCHASE ORDERS WITH WILBUR-ELLIS COMPANY AND SITEONE LANDSCAPE SUPPLY FOR FERTILIZER AND IRRIGATION AND WATER CONSERVATION SUPPLIES BY A COMBINED $334,488 FOR A REVISED TOTAL AMOUNT NOT TO EXCEED $821,988 FOR FISCAL YEAR 2024-25**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve change order increase of $180,080 on Purchase Order No. 20250173 with Wilbur-Ellis Company for fertilizer supplies for a revised total amount not to exceed $281,830 for Fiscal Year 2024-25;

2. Authorize the City Manager Pro Tem or his designee to execute Purchase Order No. 20250173 with Wilbur-Ellis Company, including minimal and/or non-substantial changes;

3. Approve change order increase of $63,395 on Purchase Order No. 20250174 with SiteOne Landscape Supply for fertilizer supplies for a revised total amount not to exceed $165,145 for Fiscal Year 2024-25;

4. Authorize the City Manager Pro Tem or his designee to execute Purchase Order No. 20250174 with SiteOne Landscape Supply, including minimal and/or non-substantial changes;

5. Approve change order increase of $91,013 on Purchase Order No. 20250175 with SiteOne Landscape Supply for irrigation and water conservation supplies for a revised total amount not to exceed $375,013 for Fiscal Year 2024-25; and,

6. Authorize the City Manager Pro Tem or his designee to execute Purchase Order No. 20250175 with SiteOne Landscape Supply, including minimal and/or non-substantial changes.

BACKGROUND

The City's Maintenance Division maintains landscaping and irrigation systems across City parks, Landscape Maintenance Districts, general landscape areas, the Palmdale Transportation Center, Park and Ride facilities, and the Fairway Business Park. These areas contribute to the City's appearance and environmental sustainability.

A steady supply of materials is required to support this work. To secure these materials, the City released Invitation for Bids (IFB) No. 24-003-3610 for fertilizer supplies and No. 24-004-3610 for irrigation and water conservation supplies in April 2024.

SiteOne Landscape Supply, a local vendor, and Wilbur-Ellis Company submitted the lowest responsive bids for the respective commodities. Their selection ensures procurement efficiency and material availability to meet operational needs.

DISCUSSION

On August 7, 2024, the City Council awarded the IFBs and authorized purchase orders with Wilbur-Ellis Company and SiteOne Landscape Supply. Fertilizer supplies were approved in a combined total amount of $203,500 ($101,750 per vendor), and irrigation supplies were approved for $284,000. However, due to increased operational demands and expanded service levels, the current purchase order amounts are insufficient, and additional funding is required.

Purchase Order No. 20250173 with Wilbur-Ellis Company will be increased by $180,080 for a revised total amount of $281,830. Purchase Order No. 20250174 with SiteOne Landscape Supply will be increased by $63,395 for a revised total amount of $165,145. This results in a combined increase of $243,475, raising the total amount from $203,500 to $446,975.

Additionally, Purchase Order No. 20250175 with SiteOne Landscape Supply will be increased by $91,013, raising the total amount from $284,000 to $375,013.

FISCAL IMPACT

$334,488; $243,475 for Fertilizer Supplies and $91,013 for Irrigation & Water Conservation Supplies are budgeted in Park Maintenance supply accounts. The

remaining purchase order funds of $203,500 are budgeted in various program supply accounts.

STRATEGIC PLAN

Goal III. Invest in infrastructure to improve community livability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

Prepared by:	Leonardo Torres, P.E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Purchase Order No. 20250173 with Wilbur-Ellis Company
Purchase Order No. 20250174 with SiteOne Landscape Supply
Purchase Order No. 20250175 with SiteOne Landscape Supply

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 016
Expiration Date 06/30/2025

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # **20250173**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

VENDOR
WILBUR-ELLIS COMPANY
WILBUR-ELLIS COMPANY
2275 EAST LOCUST COURT
ONTARIO, CA 91761
Fax: 909.930.5444

SHIP TO
STEVE MONTENEGRO / PAUL WOOD
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: SMONTENEGRO@CITYOFPALMDALE.ORG
Phone: 661-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
909.930.5440	909.930.5444	250084	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	5470	08/07/2024	DESTINATION/NET45	PARK MAINTENANCE

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	FERTILIZER AND SOIL CONDITIONERS The Above Purchase Order Number Must Appear On All Correspondence - Packing Sheets And Bills Of Lading				
1	**MODIFIED:** FERTILIZER SUPPLIES: PARK MAINTENANCE ON 6/12/2025 ADDED $7,100 PER REQUISITION 251275. MSH ***10133002 - 737107***	1.0	DL	$170,330.00	$170,330.00 ***$170,330.00***
2	FERTILIZER SUPPLIES: PALMDALE TRANSPORTATION CENTER (PTC) ***20333005 - 737107 - 3410***	1.0	DL	$1,500.00	$1,500.00 ***$1,500.00***
3	FERTILIZER SUPPLIES: PARK AND RIDES ***20333005 - 735100 - 3411***	1.0	DL	$1,000.00	$1,000.00 ***$1,000.00***
4	FERTILIZER SUPPLIES: LMDS ***25133003 - 737107 - 3610***	1.0	DL	$45,000.00	$45,000.00 ***$45,000.00***
5	FERTILIZER SUPPLIES: GENERAL BENEFIT LANDSCAPE ***10133003 - 737107***	1.0	DL	$12,500.00	$12,500.00 ***$12,500.00***
6	FERTILIZER SUPPLIES: FAIRWAY BUSINESS PARK ***10133003 - 737107 - 1087***	1.0	DL	$1,500.00	$1,500.00 ***$1,500.00***
7	Parks ground supplies	1.0	EA	$50,000.00	$50,000.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

CONTINUED ON NEXT PAGE

VENDOR COPY

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR'S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor's risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessary to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer's option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer's purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection of any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor's expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor's expense, and the costs thereof shall be deducted from Vendor's invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (I) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13. **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454

BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 016
Expiration Date 06/30/2025

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Purchase Order # **20250173**

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VENDOR
WILBUR-ELLIS COMPANY
WILBUR-ELLIS COMPANY
2275 EAST LOCUST COURT
ONTARIO, CA 91761
Fax: 909.930.5444

SHIP TO
STEVE MONTENEGRO / PAUL WOOD
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: SMONTENEGRO@CITYOFPALMDALE.ORG
Phone: 66[illegible]-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
909.930.5440	909.930.5444	250084	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	5470	08/07/2024	DESTINATION/NET45	PARK MAINTENANCE

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	10133002 - 732920				***$50,000.00***

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

By: _____
Director of Finance

VENDOR COPY

Sales Tax	$0.00
Order Total	**$281,830.00**

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR'S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F O B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor's risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessary to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer's option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer's purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection of any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor's expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor's expense, and the costs thereof shall be deducted from Vendor's invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (i) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13. **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 004
Expiration Date 06/30/2025

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20250174**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT

VENDOR
SITEONE LANDSCAPE SUPPLY, LLC
SITEONE LANDSCAPE SUPPLY, LLC
1385 EAST 36TH STREET
CLEVELAND, OH 44114

SHIP TO
STEVE MONTENEGRO / PAUL WOOD
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: SMONTENEGRO@CITYOFPALMDALE.ORG
Phone: 661-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
7472634255		250083	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	9056	08/07/2024	DESTINATION/NET45Q	PARK MAINTENANCE

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	FERTILIZER AND SOIL CONDITIONERS The Above Purchase Order Number Must Appear On All Correspondence - Packing Sheets And Bills Of Lading				
1	FERTILIZER SUPPLIES: PARK MAINTENANCE ***10133002 - 737107***	1.0	DL	$85,442.00	$85,442.00 ***$85,442.00***
2	FERTILIZER SUPPLIES: PALMDALE TRANSPORTATION CENTER (PTC) ***20333005 - 737107 - 3410***	1.0	DL	$1,500.00	$1,500.00 ***$1,500.00***
3	FERTILIZER SUPPLIES: PARK AND RIDES ***20333005 - 735100 - 3411***	1.0	DL	$1,000.00	$1,000.00 ***$1,000.00***
4	FERTILIZER SUPPLIES: LMDS ***25133003 - 737107 - 3610***	1.0	DL	$45,000.00	$45,000.00 ***$45,000.00***
5	FERTILIZER SUPPLIES: GENERAL BENEFIT LANDSCAPE ***10133003 - 737107***	1.0	DL	$12,500.00	$12,500.00 ***$12,500.00***
6	FERTILIZER SUPPLIES: FAIRWAY BUSINESS PARK ***10133003 - 737107 - 1087***	1.0	DL	$1,500.00	$1,500.00 ***$1,500.00***
7	SPORTS TURF SUPPLIES: PARK MAINTENANCE	1.0	EA	$18,203.00	$18,203.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

CONTINUED ON NEXT PAGE

VENDOR COPY

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR'S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor's risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessary to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer's option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer's purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection of any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor's expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor's expense, and the costs thereof shall be deducted from Vendor's invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (I) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13. **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454

BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 004
Expiration Date 06/30/2025

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20250174**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT

VENDOR
SITEONE LANDSCAPE SUPPLY, LLC
SITEONE LANDSCAPE SUPPLY, LLC
1385 EAST 36TH STREET
CLEVELAND, OH 44114

SHIP TO
STEVE MONTENEGRO / PAUL WOOD
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: SMONTENEGRO@CITYOFPALMDALE.ORG
Phone: 661-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
7472634255		250083	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	9056	08/07/2024	DESTINATION/NET45Q	PARK MAINTENANCE

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	10133002 - 732920				***$18,203.00***

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

By: _____
Director of Finance

VENDOR COPY

Sales Tax	$0.00
Order Total	**$165,145.00**

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2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F O B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

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8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer's option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer's purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

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10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13. **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 016
Expiration Date 06/30/2025

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20250175**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

VENDOR
SITEONE LANDSCAPE SUPPLY, LLC
SITEONE LANDSCAPE SUPPLY, LLC
1385 EAST 36TH STREET
CLEVELAND, OH 44114

SHIP TO
PAUL WOOD / STEVE MONTENEGRO
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: PWOOD@CITYOFPALMDALE.ORG
Phone: 661-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
7472634255		250082	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	9056	08/07/2024	DESTINATION/NET45	LANDSCAPE MAINTENANCE -97-1

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	IRRIGATION SYSTEMS, SUPPLIES, PARTS, ACCESSORIES The Above Purchase Order Number Must Appear On All Correspondence - Packing Sheets And Bills Of Lading				
1	IRRIGATION AND WATER CONSERVATION SUPPLIES: PARK MAINTENANCE ON 9/9/2024 UNENCUMBERED $400 PER CHAD THOMAS. MSH ON 12/16/2024 ADDED REQUISITION 250728 IN THE AMOUNT OF $2,294.29. MSH ***10133002 - 734110***	1.0	DL	$161,894.29	$161,894.29 ***$161,894.29***
2	IRRIGATION AND WATER CONSERVATION SUPPLIES: PALMDALE TRANSPORTATION CENTER (PTC) ***20333005 - 734110 - 3410***	1.0	DL	$12,000.00	$12,000.00 ***$12,000.00***
3	IRRIGATION AND WATER CONSERVATION SUPPLIES: PARK AND RIDES ***20333005 - 734110 - 3411***	1.0	DL	$13,000.00	$13,000.00 ***$13,000.00***
4	IRRIGATION AND WATER CONSERVATION SUPPLIES: LMDS ***25133003 - 734110 - 3610***	1.0	DL	$130,000.00	$130,000.00 ***$130,000.00***
5	IRRIGATION AND WATER CONSERVATION SUPPLIES: GENERAL BENEFIT LANDSCAPE ON 12/16/2024 ADDED REQUISITION 250728 IN THE AMOUNT OF $2,294.29. MSH ***10133003 - 734110***	1.0	DL	$24,000.00	$24,000.00 ***$24,000.00***

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

CONTINUED ON NEXT PAGE

VENDOR COPY

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR'S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor's risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessary to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer's option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer's purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection of any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor's expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor's expense, and the costs thereof shall be deducted from Vendor's invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (I) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor. at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13 **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 016
Expiration Date 06/30/2025

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20250175**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

VENDOR
SITEONE LANDSCAPE SUPPLY, LLC
SITEONE LANDSCAPE SUPPLY, LLC
1385 EAST 36TH STREET
CLEVELAND, OH 44114

SHIP TO
PAUL WOOD / STEVE MONTENEGRO
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550
Email: PWOOD@CITYOFPALMDALE.ORG
Phone: 661-267-5338

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
7472634255		250082	Candice Mantell

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/20/2024	9056	08/07/2024	DESTINATION/NET45	LANDSCAPE MAINTENANCE -97-1

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
6	IRRIGATION AND WATER CONSERVATION SUPPLIES: FAIRWAY BUSINESS PARK ***10133003 - 734110 - 1087***	1.0	DL	$4,000.00	$4,000.00 ***$4,000.00***
7	**ADDED:** Purchase of new irrigation to be installed on newly sodded soccer field at Desert Sands Park. ADDED REQUISITION 251287 IN THE AMOUNT OF $30,118.40. MSH ***P0109157 - 724525 - 4016***	1.0	DL	$30,113.40	$30,118.40 ***$30,118.40***

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

By: _____
Director of Finance

VENDOR COPY

Sales Tax	$0.00
Order Total	**$375,012.69**

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR'S OWN FORM OF ACKNOWLEDGEMENT

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer's location designated on the face of this order . If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer's designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor's invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor's risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessary to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

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10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor's expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13. **USE OF VENDOR'S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of construction work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment by Vendor shall be binding on Buyer without such written consent.

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    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor's property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence of such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer's failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waiver of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the parties as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS** Notwithstanding any terms or conditions herein above, to the contrary, the Special Provisions set forth in Attachment A, attached hereto, shall be deemed to be incorporated herein by reference and shall be binding on Vendor and shall superceded any provision of this Purchase Order set forth herein above which are in conflict therewith.

MINUTES
CITY COUNCIL/SA/HA/IDA/PAA/PCA/PFA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
JUNE 17, 2025
5:00 PM

1) CALL MEETING TO ORDER

Mayor Loa called the meeting to order at 5:00 pm.

Note: All City Council memberships are reflected in their City Council titles.

2) ROLL CALL MAYOR LOA, MAYOR PRO TEM BETTENCOURT, COUNCILMEMBERS BISHOP, OHLSEN, ALARCÓN COMMISSIONERS FRAGA-SAENZ, BETTS

PRESENT: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.
ABSENT: None.

3) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

Mayor Pro Tem Bettencourt led the pledge of allegiance. Mayor Loa announced the meeting would be adjourned in memory of Ryan Tortolano.

4) PRESENTATIONS

4.1) iSERVE Youth Leadership Academy 2025.

Supervising Coordinator Morales provided a PowerPoint presentation to the Council.

The Council thanked the participants for their leadership and for serving in the program.

5) PUBLIC COMMENTS

Bo Okoroji and Jason Jaffe of Steerpoint Capital spoke regarding the Antelope Valley Mall Operating Covenant Agreement (Item 7.6).

Councilmember Alarcón pulled items 7.6 and 7.7 for discussion.

6) JOINT CONSENT CALENDAR CC/HA

6.1) Approve the minutes from the previous meetings.

Motion: Approve all items listed on the Consent Calendar. Moved by Andrea Alarcón, seconded by Christina Fraga-Saenz.

Vote: Motion carried (7-0)
Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.

7) CONSENT CALENDAR

7.1) Waive full reading of the Resolution(s) and/or Ordinance(s) to be considered and voted on at this meeting. (This allows for reading the title only in lieu of reciting the entire text).

7.2) Receive and file the Annual Report on Development Impact Fees for the Fiscal Year Ended June 30, 2024, and adopt findings to commit funds held in the Littlerock Drainage Fee Fund, Fire Facilities Fund, and Sewer Upgrade Fee Fund.

7.3) Adopt Resolution No. CC 2025-044, a Resolution of the City Council of the City of Palmdale establishing an appropriations limit for Fiscal Year 2025-26 pursuant to Article XIII B of the California Constitution and repeal Resolution No. CC 2024-053.

7.4) Adopt Resolution No. CC 2025-045, a Resolution of the City Council of the City of Palmdale designating by title and name those officials who are authorized to sign checks and warrants, and repeal Resolution No. CC 2025- 003, and Adopt Resolution No. SA 2025-002, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale designating by title and name those officials who are authorized to sign checks and warrants, and repeal Resolution No. SA 2025-001.

7.5) Approve Purchase Order 20260000 with Amazon Capital Services, Inc., DBA Amazon Business, in an amount not to exceed $268,000 for FY 2025-26.

7.6) Approve Operating Covenant Agreement with Antelope Valley Shop, LLC., to create a partnership for revitalization, security, and operational costs associated with the Antelope Valley Mall.

Director of Economic and Community Development Taggart provided a brief overview of this item.

Councilmember Alarcón inquired about the substance of the operating covenant agreement, payments, and the term of the contract. Ken Hira, President of Kosmont Companies, provided clarification and discussed the details of the agreement. Jeff Jaffe and Bo Okoroji, representing Steerpoint Capital, discussed

the costs associated with securing an entertainment tenant within the proposed development. Discussion ensued regarding local hire, payments before the issuance of the certificate of occupancy, security upgrades, a substation for local law enforcement, renovations, and verified tenant operations.

Motion: Approve Operating Covenant Agreement with Antelope Valley Shop, LLC., to create a partnership for revitalization, security, and operational costs associated with the Antelope Valley Mall, with proposed amendments stated below.
Moved by Andrea Alarcón, seconded by Eric Ohlsen.

2.1 Security Upgrades. Owner agrees that it shall take the following actions to enhance security at the Property: (i) upgrade the existing security camera systems (the extent of such upgrade shall be determined by Owner in its commercially reasonable judgement), (ii) provide, in a location to be determined by Owner, space within the Mall for a local law enforcement substation at no cost; Owner shall perform any improvements or alterations in connection therewith; and (iii) increased security hours which Landlord may change from time to time as reasonably determined by Owner. Nothing herein shall be interpreted to require the City's approval of or restrict Owner's discretion to make future decisions regarding security staffing, hours, systems, or any other operations at the Property which shall be made at Owner's sole discretion and in accordance with Owner's commercially reasonable judgment.

3.2.4 Operating Covenant Payment 1: $2,000,000. Ninety (90) days after the issuance of the Tenant Certificate of Occupancy.

4.113 Jurisdiction and Venue. Any legal action or proceeding concerning this Covenant Agreement shall be filed and prosecuted in the appropriate California state court in the County of Los Angeles, California.

Vote: Motion carried (5-0)
Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón.

7.7) Approve Down-Payment Assistance Program.

Director of Housing Reyes presented the staff report.

Councilmember Alarcón requested more information on the application process, funding, and marketing. Director of Housing Reyes provided information on the application and selection process, funding guidelines, and additional funding from Housing and Community Development (HCD). The Council and staff further discussed the program guidelines.

Motion: Approve Down-Payment Assistance Program.
Moved by Austin Bishop, seconded by Eric Ohlsen.

Vote: Motion carried (5-0)
Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón.

7.8) Accept Notice of Completion (NOC) for Public Drainage Improvements for Sierra Highway Storage located at 37550 Sierra Highway.

7.9) Approve agreement with Psomas for design services for PN 906, Avenue T Street Improvement Project, for a total not to exceed amount of $801,141 for a term of 18 months from the date of the Notice to Proceed.

7.10) Accept Notice of Completion (NOC) for PN 741, East Avenue S-8 and 40th Street East Roundabout Project.

7.11) Accept Notice of Completion (NOC) for PN 780, Avenue Q-12 Sidewalk Gap Closure Project.

Motion: Approve all items listed on the Consent Calendar with the exception of Items 7.6 and 7.7.
Moved by Austin Bishop, seconded by Andrea Alarcón.

Vote: Motion carried (5-0)
Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón.

8) JOINT PUBLIC HEARING CC/SA/HA/IDA/PAA/PCA/PFA

8.1) Adopt Joint Resolution of the City Council of the City of Palmdale No. CC 2025-046, Successor Agency to the Community Redevelopment Agency of the City of Palmdale No. SA 2025-003, Palmdale Civic Authority No. PCA 2025- 001, Housing Authority of the City of Palmdale No. HA 2025-002, Industrial Development Authority No. IDA 2025-001, Palmdale Airport Authority No. PAA 2025-001, Palmdale Financing Authority No. PFA 2025-001, collectively the approving Legislative Bodies (ALB) adopting the City of Palmdale's Annual Budget for Fiscal Year 2025-26, and approving revenue and expenditure adjustments to Fiscal Year 2024-25; Adopt Resolution No. CC 2025-047, a Resolution of the City Council of the City of Palmdale amending the City's Classification and Pay Plan for general positions; Adopt Resolution No. CC 2025-048, a Resolution of the City Council of the City of Palmdale amending the City's Classification and Pay Plan for bargaining unit positions; Adopt Resolution No. CC 2025-049, a Resolution of the City Council of the City of Palmdale amending the City's Classification and Pay Plan for Parks and Recreation Unbenefited positions; and Adopt Resolution No. CC 2025-050, a Resolution of the City Council of the City of Palmdale amending the City's Classification and Pay Plan for Y-Rated positions.

Mayor Loa opened the Public Hearing.

City Clerk Scott read the titles of the Joint Resolution CC 2025-046, SA 2025-003, PCA 2025-001, HA 2025-001, IDA 2025-001, PAA 2025-001, PFA 2025-001, CC 2025-047, CC 2025-048, CC 2025-049, CC 2025-050, and CC 2025-050.

Director of Operations Samson presented a PowerPoint on the budget.

Mayor Pro Tem Bettencourt inquired about the items being adopted jointly and sought clarification on their relationship. Director of Operations Samson explained how the joint items are connected and the rationale for their coordinated adoption. Acting City Attorney Halfman provided further clarification as to why the items were combined.

Jason Zink provided public input.

Mayor Loa closed the Public Hearing.

Councilmember Alarcón inquired about the projected allocations for Measures AV and PD. Director of Operations Samson gave an oral presentation detailing the projected allocation for Measure PD. There was further discussion among Council and staff regarding future budget adjustments, a public survey, and a Capital Improvement Plan.

Motion: Adopt Resolution No. CC 2025-046, SA 2025-003, PCA 2025-001, IDA 2025-001, PAA 2025-001, PFA 2025-001, CC 2025-047, CC 2025-048, CC 2025-049, CC 2025-050
Moved by Austin Bishop, seconded by Eric Ohlsen.

Vote: Motion carried (5-0)
Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón.

Motion: Adopt Resolution No. HA 2025-002
Moved by Christina Fraga-Saenz, seconded by Dianne Betts.

Vote: Motion carried (6-1)
Yes: Richard J. Loa, Austin Bishop, Eric Ohlsen, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.
No: Laura Bettencourt.

The Housing Authority adjourned at 6:59 pm.

9) PUBLIC HEARING

9.1) Adopt Resolution No. CC 2025-043, a Resolution of the City Council of the City of Palmdale restating in its entirety the City of Palmdale Master Schedule

of Fees and Penalties and repealing all prior enactments inconsistent with this Resolution.

City Clerk Scott read the title of Resolution No. CC 2025-043.

Mayor Loa opened the Public Hearing.

Director of Operations Samson presented the staff report.

The following individuals provided public input: Jason Zink spoke about the increase in fees, funding projects, and historical preservation, and Rich Gallego commented on the increase in City fees and the State gas tax.

Mayor Pro Tem Bettencourt mentioned that she sent a letter of protest regarding the State gas tax.

Mayor Loa closed the Public Hearing.

Councilmember Alarcón requested that staff provide information regarding the fees associated with Parks and Recreation programs. In response, Deputy Director Dombrowski presented the proposed fee adjustments, noting that the increases are aligned with the current Consumer Price Index (CPI) as well as comparable rates charged by similar operators and venues. Deputy Director Dombrowski also highlighted the availability of scholarship programs and discounts.

Mayor Pro Tem Bettencourt inquired if the scholarship applied to non-profits desiring to rent a Parks and Recreation facility. Deputy Director Dombrowski stated that there is a discount that can be applied to non-profit organizations, and it is part of the fee schedule

Councilmember Ohlsen discussed the City fees and requested an analysis of the fee schedule. City Manager Pro Tem Mendez stated that a Request for Proposal (RFP) would be released to do an analysis of the fee schedule.

Staff and Council further discussed the increase in the cost of services, regional fee evaluation, supplementing fees with Measure PD and AV, assessment of fees charged to residents vs. non-residents, and implementing discounts for veterans.

Mayor Loa closed the Public Hearing.

Motion: Adopt Resolution No. CC 2025-043, a Resolution of the City Council of the City of Palmdale restating in its entirety the City of Palmdale Master Schedule of Fees and Penalties and repealing all prior enactments inconsistent with this Resolution.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)

Yes: Richard J. Loa, Laura Bettencourt, Austin Bishop, Eric Ohlsen, Andrea Alarcón.

10) CITY MANAGER'S REPORT

City Manager Pro Tem Mendez provided an update on several upcoming events, including: Juneteenth Event in Poncitlan Square on June 19, Season of Service event on Avenue S and 70th Street East on June 21, High Desert Beer & Wine Festival on June 21 at the Palmdale Amphitheater, Book and Barks at the Library on June 24, District 5 Neighborhood Watch event at McAdam Park on June 25, Movie Night at the Palmdale Amphitheater on June 27, and July 4 events at Domenic Massari and Marie Kerr Park.

11) SHERIFF'S REPORT

Captain Bardon provided an update on response times for routine calls, service calls, update on the use of the virtual deputy application, the Public Safety partnership, Part 1 crimes, arrests, graffiti-related arrests, collisions, traffic citations, fatal collisions, speed enforcement, and July 4th illegal fireworks enforcement.

The Council commended the Sheriff's Department for its exemplary performance during the recent protests and encouraged Captain Bardon to maintain efforts in traffic speed enforcement.

12) NON-AGENDA PUBLIC COMMENTS:

The following individuals provided public input: Monica Dopson spoke about the mayoral rotational system, in support of an elected mayor, and advocated for offering City discounts to teachers, veterans, and police officers; Rich Gallego commended Councilmember Alarcón for showing her fiduciary duty and discussed and an elected mayor for Palmdale; Jason Zink provided comments on an at-large mayor, City budget, and supporting small business owners; Andrew Dumas raised concerns about the enforcement of illegal firework activity at the aqueduct and 60th Street West; Roger Soderstedt spoke in favor of maintaining a rotational mayor process and expressed support the approval of Item 7.6; and Marsha Furman mentioned she was excited about receiving a sidewalk in her area and announced the Breast Cancer Walk would be held on October 25.

13) COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Ohlsen discussed an opinion piece he wrote on the importance of high-speed rail in association with the City of Palmdale. He asked the Council to agree to submit a letter of support to the California High-Speed Rail Authority to let them know the City of Palmdale stands with them. There was Council consensus. He reminded the Council that a subcommittee was formed to deal with the issues of the Auto Mall zoning.

Mayor Pro Tem Bettencourt shared remarks about her recent vacation to the Grand Canyon.

Councilmember Alarcón announced the upcoming District 5 Neighborhood Watch event, scheduled to be held at McAdam Park on June 25. She also highlighted budget allocations designated for improvements to McAdam Park.

Councilmember Bishop commented on the projects included in the current budget and spoke about fostering community pride and continued investment in the city.

14) ADJOURNMENT

Mayor Loa adjourned the meeting at 7:55 pm, in honor of Ryan Tortolano, to July 1, 2025, at 5:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED this 1st day of July 2025

_____
Richard J. Loa, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **2 and 5**

SUBJECT: **APPROVE PLANNING COMMISSION REAPPOINTMENTS FOR DISTRICTS 2 and 5**

RECOMMENDATION

Approve the Planning Commission reappointments of Dean Henderson, District 2, and Ayeasha Jones, District 5, for new terms to expire on June 30, 2027.

BACKGROUND

Planning Commission appointments are made in accordance with Section 2.46.030 of the Palmdale Municipal Code (PMC). The Planning Commission shall consist of five commissioners, each of whom shall be appointed from Planning Commission districts. All Commissioners shall be voting members of the Planning Commission. To be appointed, each Commissioner must be a resident of the district from which they are appointed. Members serve a two-year term.

DISCUSSION

Commissioners Henderson and Jones' terms expired on June 30, 2025. Mayor Loa, District 2, and Councilmember Alarcón, District 5, both requested that their current Commissioners be reappointed. In addition, both Commissioner Henderson and Jones expressed a desire to continue to serve on the Planning Commission for an additional two-year term that expires on June 30, 2027.

FISCAL IMPACT

$3,500; Commissioners receive $100 per meeting, and the Chair receives $150 budgeted in General City Salaries Part-time. Meetings are held on the second Thursday of the month

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Involve and expand engagement to enhance public oversight and transparency.

Goal IV: Maintain a desirable community where everyone wants to live, work and play.

B. Provide inclusive access to a variety of supportive services that build a resilient and healthy community.

Prepared by:	Roxanne Faber, City Clerk
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS:

None

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC SAFETY DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **INTRODUCE AND ADOPT ORDINANCE NO. 1657, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING AMENDMENTS TO CHAPTER 9.40 OF THE PALMDALE MUNICIPAL CODE (PMC)**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive public testimony regarding Ordinance No. 1657; and,

2. Adopt Ordinance No. 1657, approving amendments to Chapter 9.40 of the PMC.

BACKGROUND

Each year, the Los Angeles County Sheriff's Department (LASD) Palmdale Station responds to thousands of routine service calls. Many of these are triggered by audible alarms, a significant portion of which turn out to be false. These false alarms use up valuable resources, further delay responses to critical situations and may cause individuals to ignore alarms in the event of a real emergency.

DISCUSSION

The proposed amendments to the PMC impact Chapter 9.40 Burglar Alarm Systems as follows:

Chapter 9.40 Burglar Alarm Systems

The proposed amendments to the municipal code modernize and expand definitions related to alarm systems to clarify the responsibilities of alarm users and owners, thereby strengthening accountability and reducing misuse. The revisions also streamline the reporting and repair process following a false alarm and establish clear maintenance requirements to ensure alarm systems are functioning properly. In addition, the amendments enhance enforcement mechanisms, including granting authority to the

City's Public Safety Department for enforcement in its discretion, clarify the application of penalties and service charges, and introduce a more structured and transparent appeal process. These updates are intended to reduce the frequency of false alarms, particularly by chronic violators, and to minimize the unnecessary use of law enforcement resources.

FISCAL IMPACT

$0; It is anticipated that the fiscal impact will be neutral as a result of the proposed amendments to Chapter 9.40. Revenues will be generated through the enforcement of penalty provisions outlined in Chapter 1.12.

STRATEGIC PLAN

Goal I: Maintain effective public safety and protection for life, property, and the environment.

A. Provide comprehensive and innovative safety services to prevent crime and promote a safe community.

Prepared by:	Mario Vallarta, Public Safety Manager
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Ord. No. 1657

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1657

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING AMENDMENTS TO CHAPTER 9.40 OF THE PALMDALE MUNICIPAL CODE

A. RECITALS

WHEREAS, Section VII of Article XI of the California Constitution provides that a City may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws;

WHEREAS, the City Council finds it necessary to update the Palmdale Municipal Code (PMC) to achieve more efficient application and enforcement of the PMC to promote public health, safety, and welfare;

WHEREAS, the City Council previously found and declared in Chapter 9.40 of the PMC on Burglar Alarm Systems, and reaffirms here, that reasonable regulations are needed to ensure alarm systems used on private property within the City function properly and do not generate nuisance false alarms to avoid negative impacts on the community and a drain on City and law enforcement resources;

WHEREAS, the Palmdale Sheriff's station receives a high volume of false alarm calls, which significantly burdens law enforcement resources. Each false alarm requires immediate attention, diverting officers from their crucial duties and can delay their response times to genuine emergencies. This not only strains the available staffing but also impacts the overall safety and security of the community, as critical incidents may not receive the prompt assistance they require. The frequent occurrence of these false alarms underscores the need for effective communication and preventive measures to improve emergency response efficiency in the city;

WHEREAS, current Chapter 9.40 vests enforcement authority primarily with the Los Angeles County Sheriff's Department—the City's contractual law enforcement provider—and the City wishes to expand enforcement authority to enable the City's Public Safety Department to also act where appropriate in the City's discretion;

WHEREAS, the City Council thus finds it necessary to update, streamline, and enhance efficiency and local enforcement authority in Chapter 9.40;

WHEREAS, the City Council also finds it necessary to clarify maintenance requirements for alarm systems to ensure proper functionality and reduce the frequency of false alarms;

WHEREAS, said amendments, adoptions, and/or deletions of the Palmdale Municipal Code are permitted by law, including the California Constitution, Government Code, and Civil Code.

B. ORDINANCE

THE CITY COUNCIL OF THE CITY OF PALMDALE HEREBY ORDAINS AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein.

SECTION 2. Section 9.40.010 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.010 Definitions

As used in this chapter, the words hereinafter defined are used as so defined unless it is apparent from the context that a different meaning is intended:

(A) “Alarm owner” means the person or entity who owns, leases out, rents out, or makes available for use by agents, employees, representatives, family, or by any other third parties, any alarm system or the property for which the alarm system is located.

(B) “Alarm system” means any device, whether known as a burglary, robbery or intrusion alarm, direct-dial telephone device, audible or silent alarm, or by any other name, which is used for the detection of any unauthorized entry into a building, structure, facility or property, or to signal the commission of an unlawful act. It includes those devices which emit a signal within the protected premises only, are supervised by the proprietor of the premises where located, and are otherwise known as “proprietary alarm systems.”

(C) “Alarm user” means the person or entity who leases, rents, or has available to them for their use or use by their agents, employees, representatives, family, or by any other third parties, any alarm system or the property for which the alarm system is located and any person or entity who has access to any alarm system or the property for which the alarm system is located whether authorized by the alarm owner or otherwise.

(D) “Audible alarm” means a device designed to notify persons in the immediate vicinity of the protected premises, by emission of an audible sound, of an unauthorized entry on the premises or of the commission of an unlawful act.

(E) “Direct dial service” means a device which is connected to a telephone line, which upon activation of an alarm system automatically dials a predetermined telephone number and transmits a message or signal indicating a need for emergency response.

(F) “False alarm” means an alarm signal activated by causes other than the commission or attempted commission of an unlawful act which the alarm system is designed to detect and/or report; and which results in a requested and/or actual response by law enforcement. False alarms include, but are not limited to, the activation of an alarm system because of mechanical failure, preventable accident, improper operation, misuse, malfunction, improper negligence or carelessness of the alarm owner or alarm user. An alarm signal activated by violent conditions of nature other than extraordinary circumstances not subject to the control of the alarm owner or alarm user shall not constitute a false alarm.

SECTION 3. Section 9.40.020 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.020 Audible alarm requirements.

The alarm owner of every audible alarm within the City shall post in a conspicuous place near the front entrance of the protected premises the names and telephone numbers of persons, including its monitoring company, to be notified during any hour of the day or night during which the audible alarm is operated. An audible alarm shall terminate its operation, or the audible alarm shall automatically reset within 30 minutes of being activated.

SECTION 4. Section 9.40.040 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.040 False alarm.

The occurrence of a false alarm is prohibited. No person or entity, including the alarm owner or alarm user may cause, either directly or indirectly, through their actions or inactions, or otherwise, contribute to the occurrence of a false alarm. The alarm owner and/or alarm user are responsible for the occurrence of a false alarm. This section does not prohibit any test of an alarm system as permitted in advance by law enforcement.

SECTION 5. Section 9.40.050 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.050 Report and elimination of cause; maintenance obligations.

(A) After any false alarm, the alarm owner shall, upon request by the City, submit a written report to the City's Public Safety Department describing actions taken or to be taken to eliminate the cause of the false alarm. This shall be submitted within 10 calendar days of the date of request by the City. Unless the City allows otherwise, all actions needed to eliminate the cause of the false alarm shall be completed within 30 days of the date of the City's request for the report. The City will retain copies of all requests, reports, and track all false alarms occurring in the City.

(B) The alarm owner is responsible for ensuring that the alarm system is maintained in good working order at all times. This includes:

(1) Regular testing of the alarm system to verify its functionality and proper operation.

(2) Ensuring that any necessary repairs, adjustments, or replacements are made promptly.

(3) Conducting an annual inspection of the alarm system by a qualified technician, with documentation of the inspection and any corrective actions taken.

(C) Failure to maintain the alarm system in good working condition may result in penalties as outlined in Section 9.40.080.

SECTION 6. Section 9.40.060 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.060 Public nuisance alarm.

An alarm system that generates more than three false alarms in any 12-month period from the date of the first false alarm, is declared to be a public nuisance and operation of the alarm system is prohibited until the alarm owner shows proof to the City, to the satisfaction of the City, of the elimination of the cause of the false alarm.

SECTION 7. Section 9.40.070 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.070 Exemptions.

The provisions of this chapter are not applicable to audible alarms affixed to motor vehicles, to a public telephone utility whose only duty is to furnish telephone service pursuant to tariffs on file with the California Public Utilities Commission, or to auxiliary devices installed by a telephone company to protect telephone company systems which might be damaged or disrupted by the use of an alarm system.

SECTION 8. Section 9.40.080 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.080 Violations and penalties.

(A) Any person or entity violating any of the provisions of this Chapter is subject to the penalty provisions in PMC Chapter 1.12 and any other penalty provisions of Title 1.

(B) When the City finds the existence of a public nuisance alarm as defined in Section 9.40.060 or other violation of this Chapter, the City may abate the nuisance as provided in Chapter 8.36, inclusive of the judicial and other remedies of Section 8.36.240.

(C) The City may enforce any violation of this chapter by any and all means available by law, including, but not limited to, civil enforcement through such means as a restraining order and nuisance abatement action for relief such as preliminary or permanent injunction, criminal enforcement, and administrative enforcement. These remedies are intended to be cumulative and may be used in conjunction with or in lieu of each other remedy.

SECTION 9. Section 9.40.090 of Title 9 of the Palmdale Municipal Code is hereby amended to read as follows:

9.40.090 Appeals.

Any alarm owner whose alarm system is prohibited from operation under Section 9.44.060 or who has been levied a service charge under Section 9.40.090 may contest the City's actions through requesting an administrative hearing. The processes and procedures for requesting such hearing, holding such hearing, and the decision after such hearing shall follow those in Sections 1.20.080–1.20.110. Where reference to the advance deposit of fine is made in those Sections, for purposes of this Section, it shall be treated as the service charge if such service charge is being contested.

SECTION 10. Section 9.40.100 of Title 9 of the Palmdale Municipal Code is hereby repealed and deleted in its entirety; however, such repeal shall not affect or

excuse any violation of said Section that occurred prior to the effective date of this Ordinance, nor shall such repeal impede, deter, impact, or negate any administrative, civil, or criminal enforcement of any violation of said Section that occurred prior to the effective date of this Ordinance.

SECTION 11. Section 9.40.110 of Title 9 of the Palmdale Municipal Code is hereby repealed and deleted in its entirety; however, such repeal shall not affect or excuse any violation of said Section that occurred prior to the effective date of this Ordinance, nor shall such repeal impede, deter, impact, or negate any administrative, civil, or criminal enforcement of any violation of said Section that occurred prior to the effective date of this Ordinance.

SECTION 12. Severability. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional, or invalid, or ineffective, provided the basic purposes of this Ordinance and the benefits to the City and the public are not substantially impaired.

SECTION 13. This Ordinance shall take effect thirty (30) days after its adoption.

SECTION 14. The City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

SECTION 15. The City Council finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Approved as to form: Richard J. Loa, Mayor

ATTEST:

_____ _____
Alexandra Halfman Rochelle Scott, City Clerk
Acting City Attorney

I, Rochelle Scott, City Clerk of the City of Palmdale, California, do hereby certify that the foregoing Ordinance was duly introduced, passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the _____ day of _____, 20___ effective on the ____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **1, 2**

SUBJECT: **ADOPT RESOLUTION NO. CC 2025-029, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ENGINEER'S REPORT AND THE CONTINUATION OF THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025-26 FOR THE CITY OF PALMDALE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1 AND NO. 2006-02**

RECOMMENDATION

Staff recommend that the City Council:

1. Hold a public hearing to accept public testimony;

2. Approve the annual Engineer's Report;

3. Adopt Resolution No. CC 2025-029, a Resolution of the City Council of the City of Palmdale approving the Engineer's Report and the continuation of the levy and collection of assessments for Fiscal Year 2025-26;

4. Authorize the Mayor to execute Resolution No. CC 2025-029, a Resolution of the City Council of the City of Palmdale approving the Engineer's Report and the continuation of the levy and collection of assessments for Fiscal Year 2025-26; and,

5. Order the Engineer of Work to file the assessment with the Los Angeles County Auditor.

BACKGROUND

The Anaverde and Ritter Ranch developments required the formation of a Drainage Benefit Assessment District (DBAD) as a condition of approval to provide the funds to maintain the drainage facilities for the developments. As a result, the formation of the Anaverde DBAD No. 1 was approved by the property owners on May 12, 2004 and the Ritter Ranch DBAD No. 2006-02 was approved by the property owners on January 3, 2007, respectively, pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

The purpose of the DBAD is to fund the installation, construction, or maintenance of any authorized improvements under the Benefit Assessment Act of 1982 (California Government Code Section 54703 et seq.), including, but not limited to, drainage improvements and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

DISCUSSION

On April 15, 2025, the City Council took the first step to continue assessing the levies for Fiscal Year 2025-26 by adopting Resolution No. CC 2025-025, which directed NBS, as the Engineer of Work, to prepare the annual Engineer's Report for DBAD No. 1 and No. 2006-02 for Fiscal Year 2025-26.

On June 3, 2025, the City Council took the second step in the process by adopting Resolution No. CC 2025-027, which provided the intention to continue the assessments for Fiscal Year 2025-26, preliminarily approved the Engineer's Report prepared by NBS, and established the date, time, and place of a public hearing to receive testimony regarding the continued assessments to be placed on Los Angeles County tax rolls.

The City Council will conduct the third and final step by holding the Public Hearing regarding the final approval of the Engineer's Report and the ordering of the levies for Fiscal Year 2025-26. Following the Public Hearing, the City Council will consider adoption of Resolution No. CC 2025-029, which approves the Engineer's Report for Fiscal Year 2025-26 for the DBAD No. 1 and No. 2006-02, and the continuation of the levy and collection of assessments by placing them on the Los Angeles County tax rolls.

The Engineer's Report contains information required by the Benefit Assessment Act of 1982 and Article XIIIC and XIIID of the California Constitution (Proposition 218) determining the special benefit to property owners within the DBAD No. 1 and No. 2006-02, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2025-26.

FISCAL IMPACT

$131,378.98; Based on the annual CPI increase of 3.11%, the total proposed assessment for both Districts is $131,378.98. The annual Engineer's Report indicates the proposed assessments for DBAD No. 1 and No. 2006-02 for Fiscal Year 2025-26 and is included as an attachment.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

B. Establish healthy reserves for ongoing replacement and repair of capital assets while stabilizing annual spending.

Prepared by:	Leonardo Torres, Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Reso. No. CC 2025-029
Rpt Fiscal Year 2025-26 Engineer's Report: Drainage Benefit Assessment Districts

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2025-029

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ENGINEER'S REPORT AND THE CONTINUATION OF THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025-26 FOR THE CITY OF PALMDALE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1 AND NO. 2006-02

WHEREAS, on April 15, 2025, the City Council of the City of Palmdale adopted Resolution No. CC 2025-025, titled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DIRECTING PREPARATION OF THE ANNUAL ENGINEER'S REPORT FOR THE CONTINUATION OF THE ANNUAL LEVY OF ASSESSMENTS AND DESIGNATING THE ENGINEER OF WORK FOR FISCAL YEAR 2025-26 FOR THE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1, AND NO. 2006-02," whereby the City Council proposed the continuation of the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02 (the "Districts") pursuant to the "Benefit Assessment Act of 1982" (the "Act"), being Chapter 6.4 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (commencing with Section 54703 thereof); and

WHEREAS, Resolution No. CC 2025-027 designated NBS as the Engineer of Work for purposes of these proceedings (the "Engineer of Work") and ordered the Engineer of Work to prepare an Engineer's Report (the "Report") in accordance with the Act and Article XIIID of the California Constitution; and

WHEREAS, the Report was duly made and filed with the City Clerk, and duly considered by this City Council and found to be sufficient in every particular, whereupon it was determined that the Report should stand as the Report for all subsequent proceedings under and pursuant to the aforesaid resolution, and that July 1, 2025 at the hour of 5:00 p.m. at the City Council Chambers located at 38300 Sierra Highway, Suite C, Palmdale, California, was appointed as the time and place for a hearing by this City Council on the question of the levy of the proposed assessment, notice of which hearing was given as required by law; and

WHEREAS, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of the levy were fully heard and considered by this City Council, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this City Council thereby acquired jurisdiction to order the levy and the confirmation of the diagram and assessment prepared by and made a part of the Report to pay the costs and expenses thereof.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The public interest, convenience and necessity require that the continuation of the levy be made.

SECTION 3. The land within the Districts will be specially benefited by the operation, maintenance, and servicing of drainage and appurtenant facilities, located in public places within the boundaries of the Districts.

SECTION 4. The parcels within the Districts are assessed to pay the costs of the improvements and expenses thereof, and the exterior boundaries thereof, are as shown by a diagram thereof filed in the office of the City Clerk, which diagram is made a part hereof by reference thereto.

SECTION 5. The City Council hereby orders the improvements to be maintained as set forth in the Report, which improvements are described as follows: installation, construction, or maintenance of any authorized improvements under the Act, including, but not limited to, drainage improvements and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

SECTION 6. The assessments are in compliance with the provisions of the Act and Article XIIID of the California Constitution, and the City Council has complied with all laws pertaining to the levy of annual assessments pursuant to the Act and Article XIIID of the California Constitution.

SECTION 7. Reference is hereby made to the Report for a full and detailed description of the improvements, the boundaries of the Districts, and the proposed assessments upon assessable lots and parcels of land within the Districts. The Report as a whole and each part thereof, to wit:

i. the estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith;

ii. the diagram showing the Districts, plans and specifications for the improvements to be maintained, and the boundaries and dimensions of the respective lots and parcels of land within the Districts; and

iii. the assessment of the total amount of the cost and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Districts in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance,

and of the expenses incidental thereto are finally approved and confirmed.

SECTION 8. Final adoption and approval of the Report as a whole, and of the plans and specifications, estimate of the costs and expenses, the diagram and the assessment, as contained in the Report as hereinabove determined and ordered, is intended to and shall refer and apply to the Report, or any portion thereof as amended, modified, revised, or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this City Council.

SECTION 9. The assessment to pay the costs and expenses of the maintenance of the improvements for Fiscal Year 2025/2026 is hereby levied.

SECTION 10. Based on the oral and documentary evidence, including the Report, offered and received at the hearing, this City Council expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements in the amount of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefit.

SECTION 11. Immediately upon the adoption of this resolution, but in no event later than August 10 following such adoption, the Engineer of Work shall file the assessment and a certified copy of this resolution with the Los Angeles County Auditor (the “Auditor”). Upon such filing, the Auditor shall enter on the Los Angeles County (the “County”) assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment.

SECTION 12. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Districts.

SECTION 13. The money representing assessments collected by County shall be deposited in the City Treasury to the credit of the special fund known as "Improvement Fund" previously established under the distinctive designation of each of the Districts. Moneys in the Improvement Fund shall be expended only for the maintenance, operation, and servicing of the drainage and appurtenant facilities for each of the Districts.

SECTION 14. The adoption of this resolution constitutes the continuation of the levy of assessments for the Fiscal Year commencing July 1, 2025 and ending June 30, 2026.

SECTION 15. This Resolution shall take effect immediately upon its adoption. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of July, 2025.

Approved as to form:

_____
Alexandra Halfman
Acting City Attorney

_____
Richard J. Loa, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 1st day of July, 2025 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Fiscal Year 2025/26 Engineer's Report For:

Drainage Benefit Assessment Districts

May 2025

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

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TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Process for Annual Assessment 2

2.3 Legislative Context 3

3. Plans and Specifications 6

4. Estimate of Costs 7

5. Method of Apportionment 9

5.1 Special Benefit 9

5.2 General Versus Special Benefit 10

5.3 Quantification General Benefit 10

5.4 Method of Assessment 11

5.5 Cost of Living Inflator 12

5.6 Fiscal Year 2025/26 Maximum Assessment 13

5.7 Duration of Assessment 13

5.8 Appeals and Public Hearing 13

6. Assessment Diagram 14

7. Assessment Roll 15

1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Benefit Assessment Act of 1982 (the "Act"), directed NBS to prepare and file the Annual Engineer's Report for the Drainage Benefit Assessment District No. 1 and No. 2006-02 (the "Districts") for Fiscal Year 2025/26, in accordance with Article 4 of Chapter 6.4 of the Act and Article XIII D of the California Constitution. The report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2025/26, the diagram for the Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Districts in proportion to the special benefit received.

District	Parcels	EDUs per District(1)	FY 2025/26 Assessment Amount	Proposed Assessment Rate per EDU	Maximum Assessment Rate Per EDU
DBAD No. 1	1,417	1,417.00	$56,793.36	$40.08	$55.18
DBAD No. 2006-02	32	6,588.85	74,585.62	11.32	58.42
Totals:	**1,449**	**8,005.85**	**$131,378.98**		

(1) Equivalent Dwelling Unit. See "Method of Assessment" for explanation of EDU apportionment.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

John G. Egan

John G. Egan, P. E.
Assessment Engineer



2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned stormwater detention and drainage basins throughout the City. In order to fund the maintenance of these projects and improvements, the City has formed two Drainage Benefit Assessment Districts covering an area of approximately 6,600 acres and approximately 1,470 parcels. The Districts have been formed and the levies have been made pursuant to Section 54703 et seq. of the California Government Code, commonly known as the Benefit Assessment Act of 1982, and Article XIII D of the California Constitution (the "Article XIII D").

Drainage Benefit Assessment District No. 1 ("DBAD No. 1") (Anaverde Master Planned Community Avenue S at Approximately 20th Street West) is located within the Anaverde Master Planned Community at Avenue S and approximately 20th Street West. Drainage Benefit Assessment District No. 2006-02 ("DBAD No. 2006-02") (Ritter Ranch Master Planned Community, Phase I through phase V, South of Elizabeth Lake Road at Approximately 40th Street West) is located within the Ritter Ranch Master Planned Community along Elizabeth Lake Road and west of the Anaverde Community.

Drainage Benefit Districts

District	Tract/Parcel Map	Land Use	General Location
DBAD No. 1	Anaverde	Residential	20th Street West and Avenue S
DBAD No. 2006-02	Ritter Ranch	Residential/ Commercial	Elizabeth Lake Road and Ranch Center Drive

The Districts were formed in previous years; DBAD No. 1 was formed in 2004 and DBAD No. 2006-02 was formed in 2007. The developments required the formation of a drainage benefit assessment district as a condition of approval in order to provide the funds to maintain the drainage facilities for the developments. As a result, the formation of the Districts was approved by the property owners (on May 12, 2004 and January 3, 2007, respectively) pursuant to mailed ballot elections conducted in accordance with the Act and Article XIII D.

2.2 Process for Annual Assessment

In each subsequent year for which the assessment will be continued, the City Council may direct an Engineer's Report to be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the Districts.

The City Council may also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.

- Refers to the assessment district by its distinctive designation and indicates the general location of the district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

2.3 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[1]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

[1] *California Constitution Article XIII D Section 4.*

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[2] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[3] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[4] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[5], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

[2] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[3] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[4] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*
[5] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[6] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[6] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

Article XIII D of the California Constitution defines "maintenance and operation expenses" as, "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement" (hereafter referred to as the “improvements”). The Districts funding includes, but is not limited to, the removal, repair, replacement and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and operation of the drainage improvements benefiting Districts parcels.

The improvements for DBAD No. 1 consist of five drainage basins (DB) located just outside of DBAD No. 1 along the southern boundary of DBAD No. 1, DB No. 1 (0.5 acres), DB No. 2 (0.5 acres), DB No. 5 (10.0 acres), DB No. 6 (3.0 acres), and DB No. 7 (4.0 acres). There is also one drainage basin located on the northern side of the California Aqueduct, DB No. 9 (15.0 acres).

The improvements for DBAD No. 2006-02 consist of 126,658 cubic feet of drainage basin/storm water improvements which are detailed in the Ritter Ranch Specific Plan on file with the City.

Plans and Specifications for the improvements of the Districts are voluminous and are not bound in this Engineer’s Report but by this reference are incorporated and made a part of this Engineer’s Report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.[7]

[7] *As detailed in the Annual Engineer’s Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2025/26 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below. The full itemized budget for the Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for each District.

Drainage Benefit Assessment District No. 1 Budget	
Description	**Proposed FY 2025/26 Costs**
Direct Maintenance Costs	$36,300.00
Other Costs	20,493.36
Estimated Expenditures	$56,793.36
Fiscal Year 2025/26 Net Amount to be Assessed	**$56,793.36**
Total Equivalent Dwelling Units (EDUs)	1,417.00
Total Parcels	1,417
Total Cost Per EDU	$40.08
Maximum Rate per EDU	$55.18

Drainage Benefit Assessment District No. 2006-02 Budget	
Description	**Proposed FY 2025/26 Costs**
Direct Maintenance Costs	$54,447.50
Other Costs	20,138.12
Estimated Expenditures	$74,585.62
Fiscal Year 2025/26 Net Amount to be Assessed	**$74,585.62**
Total Equivalent Dwelling Units (EDUs)	6,588.85
Total Parcels	32
Total Cost Per EDU	$11.32
Maximum Rate per EDU	$58.42

The following cost descriptions apply to the budget[8]:

DIRECT COSTS

Maintenance Costs. Labor, Material, and Equipment - Includes all labor, material, and equipment required to properly maintain and service the drainage structures, and appurtenant facilities within the district, including the maintenance and servicing of fencing, and drainage facilities. All improvements within the district will be maintained and serviced on a regular basis. City staff will determine the frequency and specific maintenance operations required.

Utilities. Gas and Electric - The furnishing of electricity and gas required for the operation of the drainage structures, and appurtenant facilities such as pumps.

Renovation. Repairs, which are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism, storms, and frost. Planned upgrades of the improvements that provide a direct benefit to the district could also be included in renovation costs.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals for annual certification of all irrigation back flow devices, and for professionals to provide any additional administrative or engineering services specific to the district such as the cost to prepare and mail notices of the public meeting and hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

[8] *As detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year Engineer's Report[9] has been referenced to describe the Method of Apportionment within the following section of this report.***[10]

The Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report and the parcels identified by the Assessor Parcel Numbers listed with the included levy roll. The parcel list includes all privately and publicly owned parcels with the boundaries. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Districts over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to parcels within each District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described as follows:

> *Each and every parcel within the Districts receives a particular and distinct benefit from the improvements over and above general benefits conferred by the improvements.*
>
> *First, all of the improvements were conditions of approval for the creation or development of the parcels. In order to create or develop the parcels, the City of Palmdale required the developer to install and guarantee the maintenance of storm water control structures and appurtenant facilities to serve the parcels. Therefore, each and every parcel within the Districts could not have been developed in the absence of the installation and promised maintenance of these facilities.*
>
> *In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the Districts because of the nature of the improvements. The proper maintenance of storm water control and appurtenant facilities specially benefit parcels within the Districts by alleviating excess water during periods of rain. This allows individual parcels to be used to their fullest extent. All of the above- mentioned improvements contribute to a specific enhancement of each of the parcels within the Districts.*

[9] *Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[10] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.2 General Versus Special Benefit

General benefit is an overall and similar benefit to the public at large resulting from the improvements to be maintained by the assessments levied. Within the Prior Engineer's Report, the Engineer found that while the overwhelming majority of the benefit was special, there was a small amount of general benefit. Specific language describing the relationship and proportion of Special Benefit versus General Benefit from the Prior Engineer's Report has been included below:

> *In addition to the special benefits received by the parcels within the Districts, there are incidental general benefits conferred by the improvements.*
>
> *The total benefits are thus a combination of the special benefits to the parcels within the Districts and the general benefits to the public at large and to adjacent property owners. The portion of the total drainage maintenance costs, which are associated with general benefits, will not be assessed to the parcels in the Districts, but will be paid from other City Funds.*
>
> *Because the drainage facilities are located immediately adjacent to properties within the Districts and are maintained solely for the benefit of the properties within the Districts, any benefit received by properties outside of the Districts is merely incidental. It is estimated that the general benefit portion of the benefit received from the improvements for the Districts are less than one (1) percent of the total benefit. Nonetheless, the City has agreed to ensure that no property is assessed in excess of the reasonable cost of the proportional special benefit conferred on that property.*

5.3 Quantification General Benefit

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City of Palmdale, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). The funding from other sources more than compensates for general benefits, if any, received by the properties within the Districts.

STEP 1 – CALCULATE GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit[(1)]

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Increased safety from flood control	10	25%	2.5
Creation of individual lots for development or approval of building permits	90	0%	0
	100		2.5
	Total Calculated General Benefit =		**2.5%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 2.5% of the total budget from sources other than the assessment. The following contribution offsets any general benefits from the assessment services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, this general benefit contribution is the sum of the following components:

The City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Districts' improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation, and replacement of the curb and gutter is conservatively estimated to be 1%.

The City owns and maintains a storm drainage system along the border of the Districts' improvements. This system serves to prevent flooding and associated damage to the improvements and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance and operation of the local storm drainage system is conservatively estimated to be 1%.

The City owns and maintains local public streets along the border of the Districts' improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this "annuity" can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total general benefit is conservatively quantified at 2.5% which is more than offset by the total non-assessment contribution towards general benefit of 28%.

5.4 Method of Assessment

The development of an assessment methodology requires apportioning benefit to determine the relative special benefit for each property. (As part of the transition between assessment engineers in 2010/2011, the existing methodology was reviewed and confirmed, and fundamentally maintained with some minor updates.) The precise language from the Prior Engineer's Report has been provided below:

> *The Districts assessments are based on land use so that property owners are assessed in proportion to the benefits received. The land uses defined below are descriptive of the parcels expected to exist in the Districts. In the event there is a question regarding the land use designation of any parcel in the Districts the Director of Public Works will be responsible for administratively assigning one of the land uses listed below.*

- *Residential* — *Single family residential parcels*
- *Condo* — *Condominium or town home parcels*
- *Non-Res* — *Non-residential parcels*
- *Exempt* — *Parcels exempt by law from the assessment, or those parcels that do not benefit from the improvements*

For DBAD No.1, in a single-family residential district, all the parcels in the Districts receive the same special benefit from the improvements due to their similarity in size and use and their similar proximity to the improvements. Therefore, each parcel is assessed an equal amount.

Storm drain improvements intercept storm runoff from the properties and convey the runoff through the area in a controlled manner providing flood protection. To properly serve development in the Districts the developers were required to provide storm water retention/detention basins within their projects.

Since storm runoff is a function of area the special benefit shall be apportioned to the respective developed lots or parcels in the Districts on a gross acreage basis net of arterial and collector streets. Within a residential tract, once the improvements have been allocated based on acreage as described above, it will be apportioned further based on the number of similar lots or parcels or multi-family units such that each lot or parcel or unit is assessed an equal amount. Within non-residential developments, the improvement costs shall be apportioned based on net parcel area.

Parcels in the Districts will be assigned a weighting factor known as an equivalent dwelling unit (EDU). This method is used to relate dissimilar land uses such as non-residential and residential. Single family residential parcels are assigned an EDU of 1.0. The total number of EDUs in a District is divided into the total balance to levy for the district. This establishes the levy per EDU (rate). The rate is then multiplied by the parcel's individual number of EDUs to establish the parcel's levy amount.

The following table shows the EDU factors for each parcel type in the Districts.

Property Type	***Factor***	***Basis***
Developed/Vacant Residential	*1.00*	*Parcel*
Developed/Vacant Multi-Family	*1.00*	*Unit*
Developed/Vacant Non-Residential	*6.00*	*Acre*

5.5 Cost of Living Inflator

Annually, the assessment rates for the Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for the Los Angeles-Long Beach-Anaheim Area ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Assessment Engineer shall compute the percentage difference between the CPI for February of each year and the CPI for the previous February and shall then adjust the existing assessment rates by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the

preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. [11]

The annual calendar year percentage change in the CPI applicable to the Fiscal Year 2025/26 assessment is 3.11%, based on the increase of the February 2024 to February 2025 CPI of 3.11%.

5.6 Fiscal Year 2025/26 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2025/26 is increased by 3.11% which equates to $55.18 per EDU for DBAD No. 1 and $58.42 per EDU for DBAD No. 2006-02. Each District's budget, provided in the Estimate of Costs section of this Engineer's Report, proposes assessments for Fiscal Year 2025/26 at the rate of $40.08 per EDU for DBAD No. 1, which is less than the maximum authorized assessment rate, and $11.32 per EDU for DBAD No. 2006-02 which is less than the maximum authorized assessment rate.

5.7 Duration of Assessment

DBAD No. 1 was formed in 2004 and DBAD No. 2006-02 was formed in 2007. It is proposed that the assessments be continued every year thereafter, so long as the drainage improvements need to be maintained and improved, and the City requires funding from the assessments for these improvements in each District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

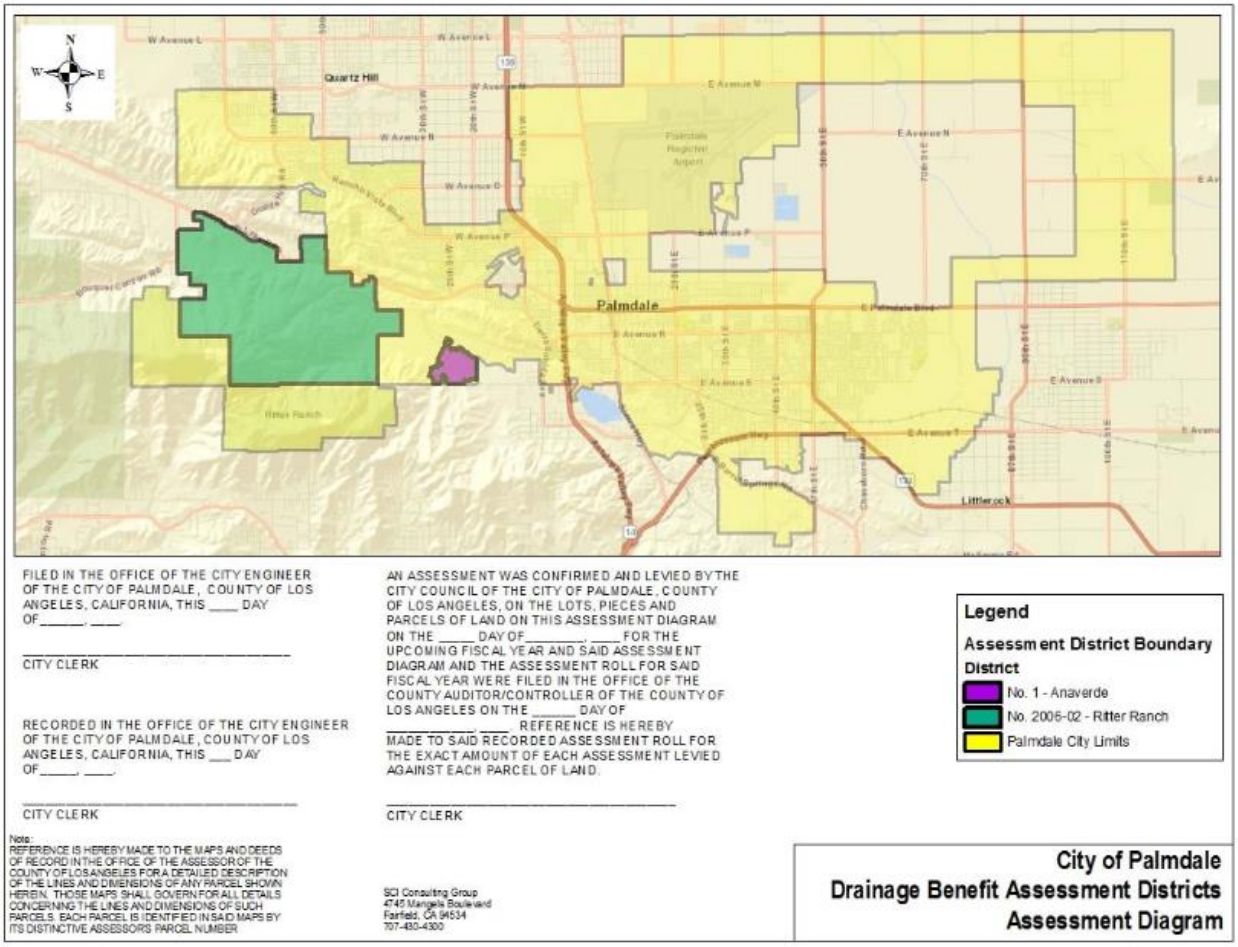
5.8 Appeals and Public Hearing

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works Department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

[11] *As detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

6. ASSESSMENT DIAGRAM

The boundaries of the Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Districts are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



7. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2025/26, along with the assessment amounts, is on file in the office of the City Clerk and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2025/26 assessments for the Districts.

District	Parcels	EDUs per District	FY 2025/26 Maximum Assessment Rate Per EDU	FY 2025/26 Assessment Rate Per EDU	FY 2025/26 Assessment Amount
DBAD No. 1	1,417	1,417.00	$55.18	$40.08	$56,793.36
DBAD No. 2006-02	32	6,588.85	58.42	11.32	74,585.62
Totals:	**1,449**	**8,005.85**			**$131,378.98**

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2025-030, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ENGINEER'S REPORTS AND THE CONTINUATION OF THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025-26 FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS**

RECOMMENDATION

Staff recommend that the City Council:

1. Hold a public hearing to accept public testimony;

2. Approve the annual Engineer's Reports;

3. Adopt Resolution No. CC 2025-030, a Resolution of the City Council of the City of Palmdale approving the Engineer's Reports and the continuation of the levy and collection of assessments for Fiscal Year 2025-26;

4. Authorize the Mayor to execute Resolution No. CC 2025-030, a Resolution of the City Council of the City of Palmdale approving the Engineer's Reports and the continuation of the levy and collection of assessments for Fiscal Year 2025-26; and,

5. Order the Engineer of Work to file the assessment with the Los Angeles County Auditor.

BACKGROUND

The City of Palmdale Landscape Maintenance Assessment Districts and Annexations (LMDs), Park Maintenance and Recreation Improvement District (Park District), and Streetlight Maintenance Assessment Districts and Annexations (SLMDs) (all combined and referred to as the "Districts"), were approved by property owners pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

The purpose of the LMDs is to fund the installation, maintenance, and servicing of ornamental structures, landscaping, including trees, shrubs, grass and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices and drywells located in public places within the boundaries of the LMDs.

The purpose of the Park District is to fund the installation, maintenance and servicing of public parks and recreational facilities throughout the City.

The purpose of the SLMDs is to fund the installation, maintenance, and servicing of any authorized improvements under the Act, including, but not limited to streetlight, traffic signal, and highway safety light improvements, and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

Each year, the Landscaping and Lighting Act of 1972 requires that, in order to continue the annual levy of assessments, the Districts have a detailed annual Engineer's Report approved by the City Council.

DISCUSSION

On April 15, 2025, the City Council took the first step to continue assessing the levies for Fiscal Year 2025-26 by adopting Resolution No. CC 2025-026, which directed NBS, as the Engineer of Work, to prepare the annual Engineer's Reports for the Districts for Fiscal Year 2025-26.

On June 3, 2025, the City Council took the second step in the process by adopting Resolution No. CC 2025-028, which provided the intention to continue the assessments for Fiscal Year 2025-26, preliminarily approved the Engineer's Reports prepared by NBS, and established the date, time, and place of a public hearing to receive testimony regarding the continued assessments to be placed on Los Angeles County tax rolls.

The City Council will conduct the third and final step by holding the public hearing regarding the final approval of the Engineer's Reports and the ordering of the levies for Fiscal Year 2025-26. Following the public hearing, the City Council will consider adoption of Resolution No. CC 2025-030, which approves the Engineer's Reports for Fiscal Year

2025-26 for the Districts, and the continuation of the levy and collection of assessments by placing them on the Los Angeles County tax rolls.

The annual Engineer's Reports contain information required by the Landscaping and Lighting Act of 1972 and Articles XIIIC and XIIID of the California Constitution (Proposition 218), determining the special benefit to property owners within the Districts, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The annual Engineer's Reports establish the important foundation and justification for the continued collection of the assessments for Fiscal Year 2025-26.

FISCAL IMPACT

$15,918,717.30; the annual Engineer's Reports indicate the proposed assessments for the Districts and are included as attachments.

The Fiscal Year 2025-26 annual assessment inflator for the LMDs may be based on February or March CPI, depending on the approved methodology when each district/annexation was formed. For the districts/annexations that are increased based on the February CPI, the maximum assessment rates are increased by 3.11%. For the districts/annexations that are increased based on the March CPI, the maximum assessment rates are increased by 3.02%. The total proposed assessment for all districts combined is $7,628,270.66.

For the Park District, the Fiscal Year 2025-26 assessment inflator is 3%, and the total proposed assessment for the district is $3,265,444.18.

For SLMDs, the Fiscal Year 2025-26 assessment inflator is 3.11% (except for Annexation Nos. 186 & 203 which have an inflator of 3.00%), and the total proposed assessment for all districts is $5,025,002.46.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

B. Establish healthy reserves for ongoing replacement and repair of capital assets while stabilizing annual spending.

Prepared by:	Leonardo Torres, Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Tem
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Reso. No. CC 2025-030
Rpt Fiscal Year 2025/26 Final Combined Engineer's Report: Landscape Maintenance Assessment Districts and Annexations
Rpt Fiscal Year 2025/26 Engineer's Report: Park Maintenance and Recreation Improvement District
Rpt Fiscal Year 2025/26 Engineer's Report: Streetlight Maintenance Assessment Districts and Annexations

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2025-030

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ENGINEER'S REPORTS AND THE CONTINUATION OF THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025-26 FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS

WHEREAS, on April 15, 2025, the City Council of the City of Palmdale adopted Resolution No. CC 2025-026, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DIRECTING PREPARATION OF THE ANNUAL ENGINEER'S REPORT FOR THE CONTINUATION OF THE ANNUAL LEVY OF ASSESSMENTS AND DESIGNATING THE ENGINEER OF WORK FOR FISCAL YEAR 2025/2026 FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS," whereby the City Council proposed the continuation of the City of Palmdale Landscape Maintenance Assessment Districts and Annexations (the "Landscape Assessment Districts"), Park Maintenance and Recreation Improvement District (the "Park District"), and Streetlight Maintenance Assessment Districts and Annexations (the "Streetlight Assessment Districts", or all together, the Landscape Assessment Districts, Park District, and Streetlight Assessment Districts may be referred to as the "Districts"), pursuant to the Landscaping and Lighting Act of 1972, constituting Part 2 of Division 15 of the California Streets and Highways Code (the "Act"); and

WHEREAS, Resolution No. CC 2025-028 designated NBS as the Engineer of Work for purposes of these proceedings (the "Engineer of Work") and ordered the Engineer of Work to prepare Engineer's Reports for the Districts (the "Reports") in accordance with the Act and Article XIIID of the California Constitution; and

WHEREAS, the Reports were duly made and filed with the City Clerk, and duly considered by this City Council and found to be sufficient in every particular, whereupon it was determined that the reports should stand as the Reports for all subsequent proceedings under and pursuant to the aforesaid resolution, and that July 1, 2025 at the hour of 5:00 p.m. at the City Council Chambers located at 38300 Sierra Highway, Suite C, Palmdale, California, was appointed as the time and place for a hearing by this City Council on the question of the levy of the proposed assessment, notice of which hearing was given as required by law; and

WHEREAS, at the appointed time and place the hearing was duly and regularly

held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of the levy were fully heard and considered by this City Council, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this City Council thereby acquired jurisdiction to order the levy and the confirmation of the diagram and assessment prepared by and made a part of the Reports to pay the costs and expenses thereof.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The public interest, convenience and necessity require that the continuation of the levy be made.

SECTION 3. The parcels within the Districts will be specially benefited by the improvements and assessed to pay the costs and expenses thereof, and the exterior boundaries thereof, are as shown by the diagrams thereof filed in the office of the City Clerk, which diagram is made a part hereof by reference thereto.

SECTION 4. The City Council hereby orders the improvements to be maintained for the Districts, as set forth in the Reports and generally described in Exhibit A to this Resolution which Exhibit is, by this reference, incorporated herein.

SECTION 5. The assessments are in compliance with the provisions of the Act and Article XIIID of the California Constitution, and the City Council has complied with all laws pertaining to the levy of annual assessments pursuant to the Act and Article XIIID of the California Constitution.

SECTION 6. Reference is hereby made to the Reports for a full and detailed description of the improvements, the boundaries of the Districts, and the proposed assessments upon assessable lots and parcels of land within the Districts. The Reports as a whole and each part thereof, to wit:

i. the estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith;

ii. the diagram showing the Districts, plans and specifications for the improvements to be maintained, and the boundaries and dimensions of the respective lots and parcels of land within the Districts; and

iii. the assessment of the total amount of the cost and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Districts in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance,

and of the expenses incidental thereto are finally approved and confirmed.

SECTION 7. Final adoption and approval of the Reports as a whole, and of the plans and specifications, estimate of the costs and expenses, the diagram and the assessment, as contained in the Reports as hereinabove determined and ordered, is intended to and shall refer and apply to the Reports, or any portion thereof as amended, modified, revised, or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this City Council.

SECTION 8. The assessment to pay the costs and expenses of the maintenance of the improvements for Fiscal Year 2025-26 is hereby levied.

SECTION 9. Based on the oral and documentary evidence, including the Reports, offered and received at the hearing, this City Council expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements in the amount of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefit.

SECTION 10. Immediately upon the adoption of this resolution, but in no event later than August 10 following such adoption, the Engineer of Work shall file the assessment and a certified copy of this resolution with the Los Angeles County Auditor (the “Auditor”). Upon such filing, the Auditor shall enter on the Los Angeles County (the “County”) assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment.

SECTION 11. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Districts.

SECTION 12. The money representing assessments collected by County shall be deposited in the City Treasury to the credit of the special fund known as "Improvement Fund" previously established under the distinctive designation of each of the Districts. Moneys in the Improvement Fund shall be expended only for the maintenance, servicing, construction, or installation of the improvements for Districts specified in the Reports.

SECTION 13. The adoption of this resolution constitutes the continuation of assessments for the Fiscal Year commencing July 1, 2025 and ending June 30, 2026.

SECTION 14. This Resolution shall take effect immediately upon its adoption. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of July, 2025.

Approved as to form:

_____
Alexandra Halfman
Acting City Attorney

_____
Richard J. Loa, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 1st day of July, 2025 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

EXHIBIT A
CITY OF PALMDALE
GENERAL DESCRIPTION OF THE IMPROVEMENTS

LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS: The improvements to be maintained are described as follows: the installation, maintenance and servicing of ornamental structures, landscaping, including trees, shrubs, grass and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices and drywells located in public places within the boundaries of the districts. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the ornamental structures, landscaping and appurtenant facilities, including repair, removal, or replacement of all or part of any of the ornamental structures, landscaping or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti. Servicing means the furnishing of electricity for the lighting and operation of the ornamental structures, landscaping, and appurtenant facilities, water for the irrigation and control of the landscaping and the maintenance of any of the ornamental structures, landscaping, and appurtenant facilities.

PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT: The City maintains park facilities in locations throughout its boundaries, which contain over 48,000 parcels. The Park Maintenance and Recreation Improvement District (the “Park District”) provides funding for the installation, maintenance, and servicing of parks and recreation facilities within the City, including, but not limited to the City’s current parks and recreation facilities:

- Poncitlán Square (4 Acres), 38315 9th Street East
- Tejon Park Barrel Springs Equestrian Arena (20 Acres), East of Sierra Highway / South of Barrel Springs Road
- Pelona Vista Park (73 Acres), 37800 Tierra Subida Avenue
- Manzanita Heights Park (5 Acres), 431 Mesa Verde Street
- Arnie Quinones Park (2.5 Acres), 41003 50th Street West
- Desert Sands Park (20 Acres), 39117 3rd Street East
- Joe Davies Heritage Airpark at Palmdale Plant 42 (20 Acres), 2001 East Avenue P
- William J. McAdam Park & Pool (20 Acres), 38115 30th Street East
- Domenic Massari Park (40 Acres), 37716 55th Street East
- Sam Yellen Park (24.93 acres), Phase 1 completed (12 acres), Avenue S between 47th East and 55th Street East
- Joshua Hills Park (3.64 Acres), 3110 Fairfield Avenue
- Palmdale Playhouse (2,700 square feet), 38334 10th Street East
- Melville J. Courson Park (7.5 Acres), 38226 10th Street East
- Legacy Commons (new Palmdale Senior Center opened 2010) (14,000 square feet), 930 E. Avenue Q-9

- Palmdale Senior Center Park (1 acre) park site between 9th Street East & 10th Street East and Q-9 & Q-10
- Dry Town Waterpark (7 acres), at Palmdale Oasis Park, 3850-B E. Avenue S
- Palmdale Oasis Recreation Center (17,500 square feet), 3850-A E. Avenue S
- Palmdale Oasis Park (33 acres), southwest corner of Avenue S and 40th Street East, 3850-A E. Avenue S
- Competition Swimming Pool at Palmdale Oasis Park, 3850-C E Avenue S
- Marie Kerr Park (57 Acres), 39700 30th Street West & 2723 Rancho Vista Boulevard
- Palmdale Amphitheater at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Best of the West Softball Complex, at Marie Kerr Park, 2723-F Rancho Vista Boulevard
- Competition Swimming Pool at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Marie Kerr Recreation Center, 2723-A Rancho Vista Boulevard
- Lot adjacent to Amphitheatre/Marie Kerr Park (20 Acres), (not developed, currently used for overflow parking), 2723 Rancho Vista Boulevard
- Dr. Robert C.17 St. Clair Parkway (8.72 Acres), Sierra Highway
- Demonstration Garden (0.76 Acres), NEC of Palmdale Boulevard & Sierra Highway
- Foothill Park (12.33 Acres), 2525 The Groves
- Anaverde Hills Park (6.42 Acres), 2820 Greenbrier Street
- Larry Chimbole Cultural Center (19,300 square feet), 38350 Sierra Highway
- Hammack Activity Center/ Roller Hockey Rinks (29,000 square feet), 815 East Avenue Q-6 (Boys & Girls Club)
- Rancho Vista Neighborhood Park (5 Acres), Bolz Ranch / Town Center Road (not developed)
- Palmenthol History Park (16.3 Acres), Avenue S & 20th Street East (not developed)
- A.C. Warnack Nature Park (131.27 Acres), East of Godde Hill & South of the California Aqueduct (not developed)

The assessments shall also provide funding for the installation, maintenance, and servicing of new parks and recreation facilities, including, but not limited to new neighborhood and community parks, family aquatics facility, covered swimming pools, additional recreation centers, public amphitheatre, additional sports fields, improvements to park safety including enhanced lighting, replacement of antiquated playground equipment, additional park maintenance services, acquisition of lands for parks and recreation uses, and expansion of existing parks and recreation areas. The work and improvements are generally described as follows:

- Installation, maintenance and servicing of public recreational facilities and improvements, including, but not limited to, turf and play areas, park grounds and facilities, playground equipment, hard court surfaces, amphitheaters, tennis courts, gymnasiums, senior centers, recreation centers, aquatic parks, running tracks, walking paths, sports fields, basketball courts, swimming pools, landscape

corridors, open space, trails, other recreational facilities, ground cover, shrubs and trees, irrigation and sprinkler systems, landscaping, drainage systems, lighting, fencing, entry monuments, graffiti removal and repainting, and labor, materials, supplies, utilities, equipment, and any debt service on bonds or other indebtedness issued for the work and improvements as applicable, at each of the locations owned, operated or maintained by the City. Plans and specifications for these improvements are filed with the Director of Parks and Recreation of the City and are incorporated herein by reference.

- Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to the Act; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to the Act; and (g) costs associated with any elections held for the approval of a new or increased assessment pursuant to the Act.

The assessment proceeds will be exclusively used for improvements within the Park District plus incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the City.

STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS: The improvements to be maintained are described as follows: installation, maintenance, and servicing of any authorized improvements under the Act, including, but not limited to streetlight, traffic signal, highway safety light improvements, and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

CITY OF PALMDALE

Fiscal Year 2025/26 Final Combined Engineer's Report For:

Landscape Maintenance Assessment Districts and Annexations

June 2025

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. **Engineer's Letter 1**

2. Introduction 2

2.1 Background 2

2.2 Assessment District Inventory 2

2.3 District Changes 3

2.4 Process for Annual Assessment 5

2.5 Legislative Context 6

3. **Plans and Specifications 8**

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Special Benefit 11

5.2 Quantification of General Benefit 12

5.3 Method of Assessment 14

5.4 Cost of Living Inflator 14

5.5 Fiscal Year 2025/26 Maximum Assessment Rates 18

5.6 Duration of Assessment 18

5.7 Appeals and Interpretation 18

6. Assessment Diagram 19

7. Landscape Maintenance Districts Area Maintained 20

8. **Assessment Roll 25**

1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Combined Annual Engineer's Report for the Landscape Maintenance Assessment Districts and Annexations (the "Assessment Districts" or "Districts") for Fiscal Year 2025/26, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2025/26, the diagram for the Assessment Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Assessment Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Assessment Districts in proportion to the special benefit received.

District	Parcel Count(1)	Total EDUs(2)	Proposed FY 2025/26 Assessment Amount
Landscape Maintenance Assessment Districts and Annexations(3)	28,790	27,606.10	$7,628,270.66

(1) Includes parcels levied and active parcels not yet subject to the assessment.
(2) Includes only EDUs for districts which are levied in Fiscal Year 2025/26.
(3) A list of the Assessment Districts and annexations containing the total proposed Fiscal Year 2025/26 assessments, the number of parcels assessed and assessment rate are detailed in Section 8 of this Engineer's Report.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

John G. Egan

John G. Egan, P. E.
Assessment Engineer



2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned landscaped areas and detention basins throughout the City. In order to fund the maintenance of these landscaping projects and improvements, the City has formed 251 Landscape Maintenance Assessment Districts and Annexations with approximately 29,000 parcels. The Assessment Districts have been formed and the assessment levies have been made pursuant to Part 2 of Division 15 of the California Streets and Highways Code, commonly known as the Landscape and Lighting Act of 1972, and Article XIII D of the California Constitution (the "Article XIII D").

2.2 Assessment District Inventory

Currently there are 246 existing Assessment Districts covering approximately 29,000 parcels. This Engineer's Report covers the 246 existing Assessment Districts. The City currently maintains landscape for only 234 Assessment Districts, encompassing about 27,250 parcels, and over 217 acres of landscaping located throughout the City. Although some Assessment Districts have been formed, the local improvements have not yet been installed and the City has not taken over the maintenance of their landscaping. Most of the Assessment Districts are comprised of residential parcels, both single-family and multi-family, with the exception of a few commercial developments.[1]

A complete list of the Assessment Districts including the number of parcels and the area of landscaping maintained is included in Sections 7 and 8 of this Engineer's Report. In addition to the existing 246 Assessment Districts, there are several developments throughout the City that were covered under the original district, prior to 1996, and are not included within the existing 246 Assessment Districts. The developments and reason for their exclusion are as follows:

- There are 20 developments within the City that were originally maintained by the City. These 20 developments failed to receive voter approval in 1996 and, therefore, are no longer maintained by the City;
- There are 23 developments within the City, which have no landscaping improvements and are, therefore, not maintained by the City; and
- There are 10 developments within the City, which have been combined with other developments when the Assessment Districts were approved.

The designation of the existing Assessment Districts is as follows:

Assessment District Nos. 1997-1, 2, 6, 7, 9, 10, 13, 14, 17, 19, 20, 23, 24, 24-1, 24-2, 24-3, 24-5, 25, 26, 28, 29, 31, 33, 35, 36, 41, 43, 46, 48, 49, 51, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 70, 72, 73, 75, 76, 78, 80, 83, 84, 85, 86, 87, 88, 89, 93, 94, 96, 97, 98, 99, 100, 102, 105, 107, 110, 111, 114, 115, 116, 119, 120, 121, 122, 123, 125, 126, 127, 128, 129, 131, 133, 135, 136, 139, 140, 143, 144, 145, 146, 148, 151, 152, 153,

[1] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

154, 156, 157, 160, 163, 165. 167, 168, 171, 175, 176, 177, 178, 179, 183, 188, 189, 190, 191, 192, 193, 195, 199, 203, 204, 206, 207, 213, 216, 220, and 224;

Assessment District Nos. 1998-5, 11, 12, 15, 16, 21, 22, 30, 32, 37, 39, 40, 42, 52, 56, 68, 77, 92, 103, 109, 112, 137, 212, and 214;

Assessment District Nos. 1999-106, 113, 138, 150, 182, 201, 202, 222, 233, and 234;

Assessment District Nos. 2000-24-6, 44, 82, 219, and 235;

Assessment District Nos. 2001-236, 237, and 238;

Assessment District Nos. 2002-141, 239, 240, 242, 243, 244, 251, 252, 253, 254, 255, and 256;

Assessment District Nos. 2003-197, 245, 246, 259, and 260;

Assessment District Nos. 2004-180, 221, 241, 247, 248, 257, 261, 262, 264, 265, 266, 267, 268, 271, 272, 274, 276, 277, and 900;

Assessment District Nos. 2005-159, 184, 217, 256-01, 263, 272-01, 273, 275, 278, 279, 281, 282, 283, 286, 287, 289, 292, 293, 296, and 299;

Assessment District Nos. 2006-173, 272-02, 292-01, 294, 295, 297, 298, 301, 302, 314, 315, and 901;

Assessment District Nos. 2007-304, 312, 313, 316, 318, 319, and 320;

Assessment District Nos. 2014-321 and 2014-322; and

Assessment District Nos. 2020-290 and 2020-324. For details of the assessments, refer to the annexation Engineer's Report approved on January 12, 2022 and the amended on May 4, 2022 for Assessment District No. 2020-290. Refer to the annexation Engineer's Report approved on November 3, 2021 for Assessment District No. 2020-324.

2.3 District Changes

The following information highlights certain Assessment Districts that have had modifications from their original formation or require individual budgetary attention.[2]

Annexation 97-24-5B is assessed under Annexation 97-24-5.

Beginning with Fiscal Year 2001/02, the landscaping within Assessment District No. 140, located on the southeast corner of 60th Street West and Avenue N-4, is maintained by Assessment District No. 140's homeowner's association (HOA). For Fiscal Year 2001/02, Assessment District No. 140's assessment was lowered to $40 per parcel. Therefore, Assessment District No. 140's annual assessments only include administrative costs to provide compliance monitoring for maintenance standards and quality.

Beginning with Fiscal Year 2006/07, the landscaping within Assessment District No. 251, located south of Avenue N on the west side of 50th Street West and Assessment District No. 2004-900, will be maintained by each Assessment District's respective HOA. For Fiscal Year 2009/10, Assessment District No. 251's assessment rate was lowered to $47.46 per parcel. Therefore, Assessment District No. 251's annual

[2] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

assessments only include administrative costs to provide compliance monitoring for maintenance standards and quality.

The following Assessment Districts are commercial development and the assessments are calculated based on acreage (see the Method of Assessment section of this Engineer's Report):

1. Assessment District No. 152, located between Avenue O-8 and Avenue P, east of 15th Street West and west of the Antelope Valley Freeway;
2. Assessment District No. 154, located on the northwest corner of Avenue N and 10th Street West; and
3. Assessment District No. 195, located on the northeast corner of Avenue Q and 5th Street West.

Assessment District No. 80 is a mobile home district that is located on Rancho Vista Boulevard and approximately Avenue N-8. The assessments are calculated based on acreage (see the Method of Assessment section of this Engineer's Report).

Beginning with Fiscal Year 2001/02, Assessment District Nos. 115 and 192 received a decrease in their per parcel assessment. This was due to the removal of drainage facilities and the elimination of the maintenance associated with those facilities.

Beginning Fiscal Year 2006/07, for Assessment District No. 256, Annexation No. 01, there was one additional parcel added to the southeast corner of Tract No. 52490. This parcel was added at the request of the property owner.

Beginning with Fiscal Year 2008/09, in Assessment District No. 268 only developed parcels will be assessed in Phase 1 and 2 and a portion of Phases 3, 4, and 5. Only a portion of the landscape improvements were installed and accepted for maintenance.

All parcels included within Assessment District Nos. 292 and 292-01 are combined and identified under Assessment District No. 292. Beginning with Fiscal Year 2009/10, the assessments for Assessment District Nos. 292 and 292-01 has been amended to $539.88. Assessment District No. 292 is to have no assessment for either the multipurpose trail along 70th Street West or the offsite flood control basin at the southwest corner of 65th Street West and Avenue M.

For Fiscal Year 2009/10 Assessment District No. 297 was credited $20,419.71 and no further assessments were levied. No landscape improvements were constructed and Tentative Tract Map 61610, for which Assessment District No. 297 was formed, has expired and no property entitlement exists on the property anymore.

Beginning with Fiscal Year 2011/12, Assessment District No. 900 shall not be levied an assessment as the City does not maintain the local improvements.

Assessment District No. 2004-277 has been dissolved as of April 6, 2016. The HOA will undertake the maintenance of all improvements and services beginning Fiscal Year 2016/17.

The City does not assess Assessment District Nos. 2005-297, 2006-173, 2006-302, 2007-312, 2007-313, 2007-316, 2007-318, 2007-319, 2007-320, 2014-321, 2014-322, and 2006-901 because the landscaping has not been completed or accepted for maintenance. For Fiscal Year 2025/26, these Assessment Districts will receive a credit towards their assessment resulting in a zero assessment.

The annexation Engineer's Report was approved for Assessment District No. 2020-290 on January 12, 2022 and a reduction of the rate was subsequently approved with the Amended Engineer's Report on May 4, 2022.

Beginning in Fiscal Year 2025/26, the maximum assessment rates for the following districts were adjusted down based on the results of a district wide financial review and evaluation: 1998-11, 1997-24-5, 1998-32, 1997-65, and 2005-217.

2.4 Process for Annual Assessment

As required by the procedures specified in the Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicates the general location of the assessment district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.5 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[3]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[4] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[5] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[6] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real

[3] *California Constitution Article XIII D Section 4.*
[4] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[5] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[6] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[7], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[8] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[7] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[8] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Assessment Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

The installation, maintenance and servicing of ornamental structures, landscaping, including trees, shrubs, grass, and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices, and drywells located in public places within the boundaries of the Assessment Districts.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including: repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of electricity for the lighting and operation of any ornamental structures, landscaping, and appurtenant facilities; water for the irrigation and control of the landscaping, and the maintenance of any of the ornamental structures, landscaping and appurtenant facilities.

Improvements: Article XIII D of the California Constitution defines "maintenance and operation expenses" as "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement" (hereinafter referred to as the "improvements"). The Assessment District's funding includes, but is not limited to, the removal, repair, replacement and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and operation of the landscape improvements benefiting the Assessment Districts’ parcels.[9]

Plans and Specifications for the improvements for the Assessment Districts are voluminous and are not bound in this report but by this reference are incorporated and made a part of this Engineer’s Report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.

[9] *As detailed in the Annual Engineer’s Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2025/26 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications of this Engineer's Report are summarized below. The full itemized budget for the Assessment Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for the Assessment Districts.

Combined Landscape Maintenance Assessment District Budget Fund and Budget Summary, Fiscal Year 2025/26	
Description	**Proposed FY 2025/26 Costs**
Direct Maintenance Costs	$8,571,410
Utility Costs	1,130,000
Administration Costs	125,600
Capital Expenses	276,580
Estimated Expenditures	**$10,103,590**
Contributions from Other Sources (1)	(2,475,319)
Fiscal Year 2025/26 Net Amount to be Assessed	**$7,628,271**

(1) Includes City general fund contributions, developer contributions, and other sources.

A list of the Assessment Districts containing the Fiscal Year 2025/26 assessment, number of parcels proposed to be assessed, and the assessment rate per EDU is included in Section 8 of this Engineer's Report.

The following cost descriptions apply to the budget:

DIRECT MAINTENANCE COSTS

Maintenance Costs. Labor, Material, and Equipment - Includes labor, material, and equipment required to properly maintain and service the ornamental structures, landscaping, and appurtenant facilities within the Assessment Districts, including the maintenance and servicing of drywells, fencing, entry monuments, and drainage facilities. Improvements within the Assessment Districts will be maintained and serviced on a regular basis. City staff will determine the frequency and specific maintenance operations required; but generally, the operations will occur weekly.

Renovation. Repairs that are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism, storms, and frost. Planned upgrades of the improvements that provide a direct benefit to the Assessment Districts could also be included in renovation costs. Examples of upgrades are replacing plant materials and/or renovating irrigation systems.[10]

[10] *Costs descriptions from the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessments Districts and Annexations, Fiscal year 2020/21 dated April 2020.*

UTILITY COSTS

Water. The furnishing of water required for the irrigation of the landscaping and the maintenance of the ornamental structures and appurtenant facilities.

Gas and Electric. The furnishing of electricity and gas required for the operation of the ornamental structures, landscaping and appurtenant facilities.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals for annual certification of irrigation backflow devices and for professionals to provide any additional administrative or engineering services specific to the Assessment Districts, such as the cost to prepare and mail notices of the public hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

5. METHOD OF APPORTIONMENT

The following section of includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each Assessment District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each Assessment District (with the exception of Assessment District Nos. 2020-290 and 2020-324).

The method of apportionment and description of benefit for Assessment District No. 2020-290 is detailed in the Amended Engineer's Report approved on May 4, 2022 (including the reduction of the rate). The method of apportionment and description of benefit for Assessment District No. 2020-324 is detailed in the annexation Engineer's Report approved on November 3, 2021.

For all other Assessment Districts, previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year's Engineer's Report [11] ***has been referenced to describe the Method of Apportionment within the following section of this report.*** [12]

The Assessment Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report. Further, all assessor parcels, including all privately and publicly owned parcels, are identified by Assessor Parcel Numbers listed within the included levy roll. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Assessment Districts over and above general benefits conferred on real property or to the public at large.

The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to the parcels within each Assessment District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described as follows:

> *Each and every parcel within each Assessment District receives a particular and distinct benefit from the improvements over and above general benefits conferred by the improvements.*
>
> *First, all of the improvements were conditions of approval for the creation or development of the parcels. In order to create or develop the parcels, the City required the original developer to install, and guarantee the maintenance of, landscaping, ornamental structures, and appurtenant facilities to serve the parcels. Therefore, each*

[11] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[12] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

and every parcel within the Assessment Districts could not have been developed in the absence of the installation and promised maintenance of these facilities.

In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the Assessment Districts because of the nature of the improvements. The proper maintenance of landscaping and appurtenant facilities specially benefit parcels within the Assessment Districts by moderating temperatures, providing oxygenation, attenuating noise from adjacent streets and controlling dust for those properties in close proximity to the landscaping, thereby enhancing the environmental quality of the parcels and making them more desirable. Properly maintained landscaping also deters erosion of slopes and thereby minimizes the risk of instability and the potential destruction of property within the Assessment Districts. The spraying and treating of landscaping for disease reduces the likelihood of insect infestation and other diseases spreading to landscaping located throughout the properties within the Assessment Districts. The proper maintenance of the landscaping, ornamental structures, and appurtenant facilities reduces property-related crimes (especially vandalism) against properties in the Assessment Districts through the abatement of graffiti and the screening of properties within the Assessment Districts from arterial streets.

Finally, the proper maintenance of landscaping and ornamental structures improves the attractiveness of the properties within the Assessment Districts and provides a positive visual experience each and every time a trip is made to or from the property. The above-mentioned benefits contribute to the specific enhancement of the property values of each of the parcels within the Districts.

The *SVTA* decision provides enhanced clarity to the definitions of special benefits from landscaping and parks to properties in three distinct areas: proximity, expanded or improved access, and views. The *SVTA* decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The *SVTA* decision also provides specific guidance that setback landscaping is a direct advantage and special benefit to property that is proximate to a landscaped area that is improved by an assessment:

> *The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed herein further strengthen the basis of these assessments.

5.2 Quantification of General Benefit

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment Districts.

STEP 1 – CALCULATION OF GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit(1)

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Extension of landscaped area	2	10%	0.2
Proximity to improved landscaping	2	10%	0.2
Access to improved landscaped areas	2	10%	0.2
Improved views	2	10%	0.2
Creation of individual lots for development or approval of building permits	92	0%	0
	100		0.2
		Total Calculated General Benefit =	**0.8%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 0.8% of the total budget from sources other than the assessment. The following contribution offsets any general benefits from the assessment services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, the overall general benefit contribution is the sum of the following components:

The City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment Districts' improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards the general benefit from the maintenance, rehabilitation, and replacement of the curb and gutter is conservatively estimated to be 1%.

The City owns and maintains a storm drainage system along the border of the Assessment Districts' improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

The City owns and maintains local public streets along the border of the Assessment Districts' improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total general benefit is conservatively quantified at 0.8% which is more than offset by the total non-assessment contribution towards general benefit of 28%.

5.3 Method of Assessment

The development of an assessment methodology requires apportioning benefit to determine the relative special benefit for each property. The precise language from the Prior Engineer’s Report is included below:

> *In the single-family residential Assessment Districts, the parcels in the Assessment Districts receive the same special benefit from the improvements due to their similarity in size and use and their similar proximity to the improvements. Therefore, each parcel is assessed an equal amount.*
>
> *In the mobile home Assessment Districts, each mobile home unit receives an equal special benefit from the improvements. However, because each parcel within such Assessment District may have a different number of mobile home units, the assessment against each parcel varies depending on the potential number of units, which may be located on the parcel. Since the potential number of units on a parcel depends on the area of the parcel, the estimated cost of the improvements in a mobile home Assessment District has been divided among the parcels within the Assessment District according to the area of each parcel in the Assessment District.*
>
> *In the commercial Assessment Districts, the special benefit to each parcel is derived not only from the benefits to the property described above, but also the enhancement of the property's value through its ability to attract clients, employees and customers to the parcel. This benefit increases according to the size of the business and the number of people using the parcel, which in turn generally correlates to the area of the parcel. Therefore, the estimated cost of the improvements in a commercial District has been divided among the parcels within the District according to the area of each parcel in the District.*
>
> *Publicly owned parcels will be assessed the same as other parcels, except for publicly owned drainage basins. The publicly owned drainage basin parcels are undeveloped and are required to remain undeveloped in order to function as drainage basins. Therefore, the parcels receive none of the special benefits described above.*

5.4 Cost of Living Inflator

Annually, the maximum assessment rates for the Assessments Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for Los Angeles-Long Beach-Anaheim Area ("CPI"), as

determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor[13]. Annually, the Assessment Engineer shall compute the percentage difference between the CPI for the most recent February or March and the CPI for the previous February or March and shall then adjust the current fiscal year maximum assessment rate by an amount not to exceed such CPI percentage change for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living.[14]

For Fiscal Year 2025/26, the Assessment Districts which are increased based on the increase of the February 2024 to February 2025 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 3.11%. The Assessment Districts which are increased based on the increase of the March 2024 to March 2025 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 3.02%.

The following tables show the applicable month of CPI data applied to calculate the maximum assessment rates for each of the Assessments Districts.

[13] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

[14] *From the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessments Districts and Annexations, Fiscal year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

Assessment District	CPI Month	Assessment District	CPI Month	Assessment District	CPI Month
1	March	42	March	96	March
2	March	43	March	97	March
5	March	44	March	98	March
6	March	46	March	99	March
7	March	48	March	100	March
9	March	49	March	102	March
10	March	51	March	103	March
11	March	52	March	105	March
12	March	56	March	106	March
13	March	58	March	107	March
14	March	59	March	109	March
15	March	60	March	110	March
16	March	61	March	111	March
17	March	62	March	112	March
19	March	63	March	113	March
20	March	64	March	114	March
21	March	65	March	115	March
22	March	66	March	116	March
23	March	67	March	119	March
24	March	68	March	120	March
24-1	March	69	March	121	March
24-2	March	70	March	122	March
24-3	March	72	March	123	March
24-4	March	73	March	125	March
24-5	March	75	March	126	March
24-6	March	76	March	127	March
25	March	77	March	128	March
26	March	78	March	129	March
28	March	80	March	131	March
29	March	82	March	133	March
30	March	83	March	135	March
31	March	84	March	136	March
32	March	85	March	137	March
33	March	86	March	138	March
35	March	87	March	139	March
36	March	88	March	140	March
37	March	89	March	141	February
39	March	92	March	143	March
40	March	93	March	144	March
41	March	94	March	145	March

Assessment District	CPI Month
146	March
148	March
150	March
151	March
152	March
153	March
154	March
156	March
157	March
159	February
160	March
163	March
165	March
167	March
168	March
171	March
175	March
176	March
177	March
178	March
179	March
180	February
182	March
183	March
184	February
188	March
189	March
190	March
191	March
192	March
193	March
195	March
197	February
199	March
201	March
202	March
203	March
204	March
206	March
207	March

Assessment District	CPI Month
212	March
213	March
214	March
216	March
217	February
219	February
220	March
221	February
222	March
224	March
233	March
234	March
235	February
236	February
237	February
238	February
239	February
240	March
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244	February
245	February
246	February
247	February
248	February
251	February
252	February
253	February
254	February
255	February
256	February
256-01	February
257	February
259	February
260	February
261	February
262	February
263	February
264	February

Assessment District	CPI Month
265	February
266	February
267	February
268	February
271	February
272	February
272-01	February
272-02	February
273	February
274	February
275	February
276	February
278	February
279	February
281	February
282	February
283	February
286	February
287	February
289	February
290	February
292	February
292-01	February
293	February
294	February
295	February
296	February
298	February
299	February
301	February
304	February
314	February
315	February
322	February
324	February

5.5 Fiscal Year 2025/26 Maximum Assessment Rates

The Fiscal Year 2025/26 maximum assessment rates for the Assessment Districts are included in Section 8 of this Engineer's Report.

5.6 Duration of Assessment

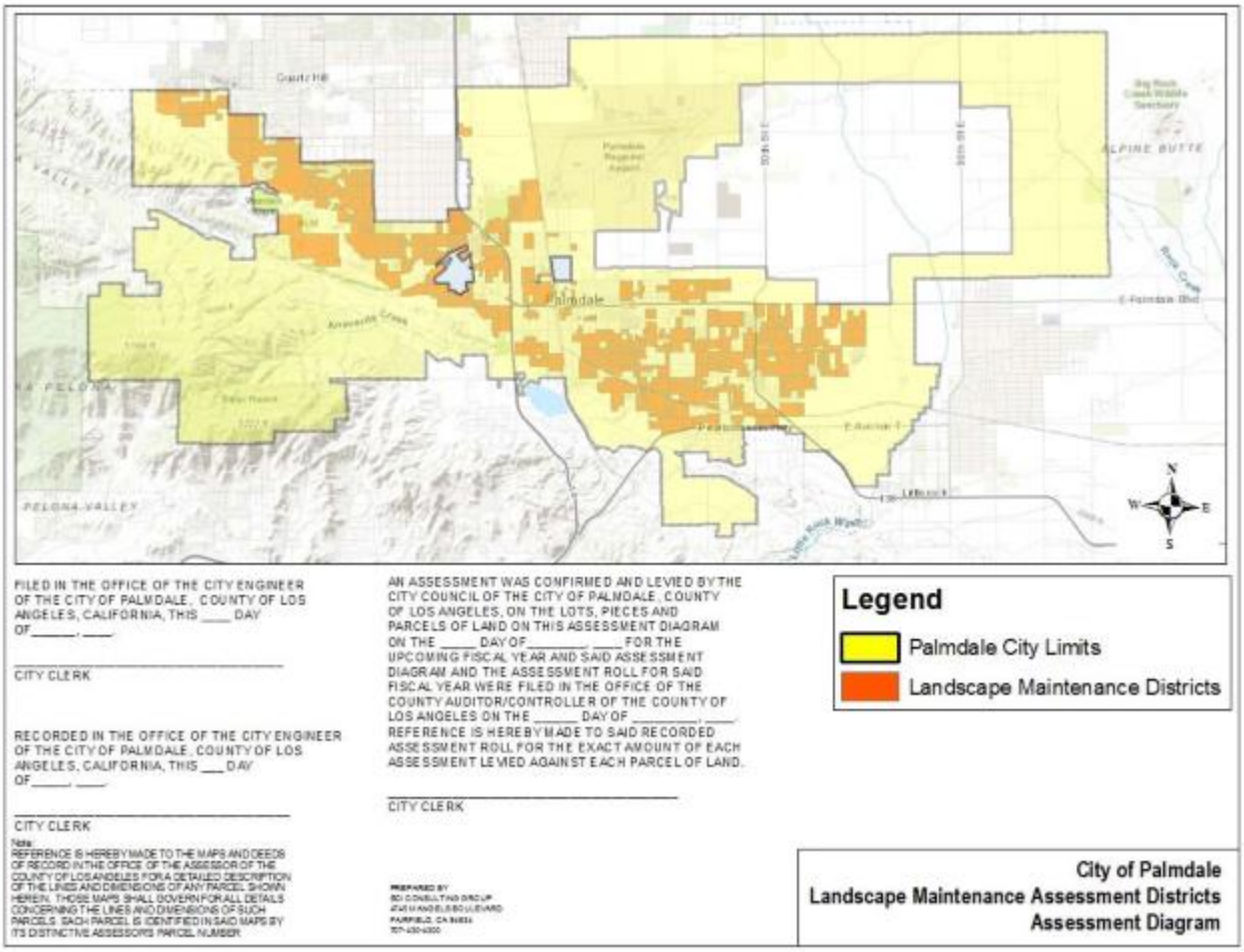
The Assessment Districts were formed or annexed in previous years. It is proposed that the assessments be continued every year after their formation or annexation, so long as the public improvements need to be maintained and improved, and the City requires funding for the improvements in each Assessment District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

5.7 Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works Department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Palmdale Public Works Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City of Palmdale Public Works Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The boundaries of the Assessment Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment Districts are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this report.



7. LANDSCAPE MAINTENANCE DISTRICTS AREA MAINTAINED

The area of landscape maintained for each Assessment District is shown in the table below.

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
1	97/98	33574	Res	Ave R-8 and 20th St East	831	2,907	3,738
2	97/98	35571	Res	Ave S and 35th St East	60,228	0	60,228
5	98/99	31585	Res	Tierra Subida	34,959	3,850	38,809
6	97/98	42989	Res	Ave R and 30th St East	4,224	0	4,224
7	97/98	42880	Res	Ave S and 15th St East	18,762	30,270	49,032
9	97/98	42405	Res	Ave S and 30th St East	30,217	0	30,217
10	97/98	36905	Res	Ave R-8 and 35th St East	2,204	11,901	14,105
11	98/99	37748	Res	Ave S and 15th St East	125,260	44,240	169,500
12	98/99	31130	Res	Ave S and 15th St East	44,199	13,095	57,294
13	97/98	43241	Res	Ave R-8 and 20th St East	640	0	640
14	97/98	44014	Res	Ave R-8 and 50th St West	1,590	0	1,590
15	98/99	42971	Res	Ave S and 25th St East	4,770	10,961	15,731
16	98/99	43325	Res	Ave S and 35th St East	21,109	44,240	65,349
17	97/98	43665	Res	Ave S and 30th St East	635	118,412	119,047
19	97/98	42956	Res	Ave R-8 and 20th St East	11,817	11,245	23,062
20	97/98	43687	Res	Rancho Vista Blvd and 15th St West	18,019	9,738	27,757
21	98/99	43306	Res	Ave R-8 and 25th St East	9,788	0	9,788
22	98/99	43065	Res	Ave R and 50th St East	3,185	60,000	63,185
23	97/98	43826	Res	Ave S and 20th St East	22,635	21,460	44,095
24	97/98	34296	Res	Rancho Vista Bl	228,509	221,499	450,008
24-1	97/98	46139	Res	Rancho Vista Bl	54,067	0	54,067
24-2	97/98	47932	Res	Rancho Vista Bl	41,975	19,680	61,655
24-3	97/98	46138	Res	Rancho Vista Bl	53,235	0	53,235
24-4					10,343	0	10,343
24-5	97/98-00/01	46136	Res	Rancho Vista Bl	18,475	6,844	25,319
24-5B	01/02	46136	Res	Rancho Vista Bl	0	0	See 24-5
24-6	00/01	52848	Res	Rancho Vista Bl	37,767	0	37,767
25	97/98	43324	Res	Ave R-8 and 20th St East	2,000	0	2,000
26	97/98	43031	Res	Ave R-8 and 25th St East	6,418	23,840	30,258
28	97/98	44244	Res	Rancho Vista Blvd and 15th St West	2,108	10,881	12,989
29	97/98	43892	Res	Ave S and 40th St East	4,761	0	4,761
30	98/99	44045	Res	Ave R-8 and 25th St East	8,594	7,888	16,482
31	97/98	43514	Res	Ave S and 40th St East	4,848	12,685	17,533
32	98/99	43312	Res	Ave R and Division	10,124	10,410	20,534
33	97/98	44528	Res	Ave S and 15th St East	30,157	6,270	36,427
35	97/98	43887	Res	Ave S and 25th St East	959	0	959
36	97/98	43024	Res	Ave R-8 and 25th St East	1,914	3,272	5,186
37	98/99	44165	Res	Ave R-8 and 20th St East	7,963	0	7,963
39	98/99	44256	Res	Ave R and 30th East	3,257	4,320	7,577
40	98/99	44221	Res	Tierra Subida	39,065	0	39,065
41	97/98	44713	Res	Rancho Vista Blvd and 20th St West	48,694	15,105	63,799
42	98/99	43356	Res	Ave R-8 and 20th St East	11,394	0	11,394
43	97/98	44184	Res	Ave S and 30th East	26,974	13,314	40,288
44	00/01	43814/43815	Res	Tierra Subida	17,604	7,166	24,770
46	97/98	29800	Res	Ave S and 25th St East	10,680	0	10,680
48	97/98	38007	Res	Ave R and 15th St East	0	13,962	13,962
49	97/98	44220	Res	Ave S and 15th St East	4,087	7,546	11,633
51	97/98	44140	Res	Ave R and 50th St East	7,785	0	7,785
52	98/99	32702	Res	Ave S and 15th St East	24,581	43,338	67,919
56	98/99	42884	Res	Ave R-8 and 45th St East	2,587	12,600	15,187
58	97/98	44909	Res	Ave R-8 and 45th St East	1,262	6,958	8,220
59	97/98	43310	Res	Ave R and 40th St East	13,146	15,072	28,218
60	97/98	45381	Res	Ave R-8 and 45th St East	13,384	8,000	21,384

District[1]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
61	97/98	43692	Res	Rancho Vista Blvd and 15th St West	19,722	26,878	46,600
62	97/98	44101	Res	Ave M-8 and 55th St West	7,794	7,050	14,844
63	97/98	42338	Res	Ave N and 60th St West	42,430	34,016	76,446
64	97/98	32799	Res	Ave S and 35th St East	0	35,900	35,900
65	97/98	44251	Res	Ave R-8 and 50th St West	19,087	36,004	55,091
66	97/98	31495	Res	Ave S and 45th St East	127,413	0	127,413
67	97/98	44892	Res	Ave R-8 and 20th St East	7,305	10,606	17,911
68	98/99	44556	Res	Ave S and 40th St East	13,471	9,600	23,071
69	97/98	44915	Res	Ave S and 40th St East	6,442	6,078	12,520
70	97/98	45143	Res	Ave O and 30th St West	13,222	69,755	82,977
72	97/98	43536	Res	Ave R-8 and 50th St East	39,410	19,714	59,124
73	97/98	43719	Res	Ave M-8 and 70th St West	39,635	13,284	52,919
75	97/98	43564	Res	Ave S and 35th St East	17,494	6,440	23,934
76	97/98	43637	Res	Ave R-8 and 45th St East	1,123	16,771	17,894
77	98/99	43636	Res	Ave R-8 and 25th St East	1,492	7,995	9,487
78	97/98	44876	Res	Ave R-8 and 5th St East	33,418	42,054	75,472
80	97/98	PM 17435	MH	Rancho Vista Blvd	18,212	22,140	40,352
82	00/01	45045	Res	Ave R-8 and 25th St East	4,254	0	4,254
83	97/98	35564	Res	Ave R and 30th East	1,802	0	1,802
84	97/98	45263	Res	Ave R and 27th St East	4,484	9,663	14,147
85	97/98	45003	Res	Rancho Vista Blvd and 30th St West	60,997	104,174	165,171
86	97/98	45073	Res	Ave R and 50th St East	1,445	4,950	6,395
87	97/98	45273	Res	Pear Blossom Hwy and 30th East	62,590	37,934	100,524
88	97/98	45069	Res	Rancho Vista Blvd and 25th St West	17,723	6,630	24,353
89	97/98	45324	Res	Ave R and 40th St East	31,065	0	31,065
92	98/99	45507	Res	Ave S and 45th St East	6,011	3,500	9,511
93	97/98	43321	Res	Ave S and 35th East	867	3,600	4,467
94	97/98	45220	Res	Ave S and 40th St East	11,899	4,800	16,699
96	97/98	44897	Res	Ave R-8 and 50th St East	4,582	4,608	9,190
97	97/98	42886	Res	Ave M-8 and 55th St West	5,473	0	5,473
98	97/98	45125	Res	Ave R and 50th St East	22,619	14,668	37,287
99	97/98	44879	Res	Rancho Vista Blvd and 30th St West	16,322	10,580	26,902
100	97/98	45716	Res	Elizabeth Lake Rd and 20th St West	5,912	8,720	14,632
102	97/98	45460	Res	Tierra Subida	6,976	15,600	22,576
103	98/99	44402	Res	SE Corner of Ave R-8 and 55 St East	28,799	31,260	60,059
105	97/98	45216	Res	Ave S and 35th St East	9,760	18,846	28,606
106	99/00	45689	Res	Ave M-8 and 60th St West	8,719	3,885	12,604
107	97/98	25429	Res	Ave M and 60th St West	19,485	0	19,485
109	98/99	44701	Res	Ave R-8 and 60th St East	4,636	11,868	16,504
110	97/98	45574	Res	Rancho Vista Blvd and 20th St West	8,804	5,700	14,504
111	97/98	32793	Res	Ave O and 40th St East	16,795	0	16,795
112	98/99	44136	Res	Ave R-8 and 60th St East	7,414	6,365	13,779
113	99/00	45276	Res	Ave R and 50th St East	8,443	7,200	15,643
114	97/98	44898	Res	Ave R and 50th St East	6,786	6,720	13,506
115	97/98	46312	Res	Ave O and 30th St West	23,488	28,710	52,198
116	97/98	45196	Res	Elizabeth Lake Rd and 15th St West	4,063	8,925	12,988
119	97/98	46077	Res	Ave N and 45th St West	47,034	67,524	114,558
120	97/98	45705	Res	Ave R-8 and 60th St East	25,312	37,015	62,327
121	97/98	45750	Res	Ave R and 50th St East	10,521	12,870	23,391
122	97/98	45382	Res	Pear Blossom Hwy and 40th East	61,466	63,691	125,157
123	97/98	44791	Res	Ave O and 30th St West	10,555	25,960	36,515
125	97/98	45497	Res	Ave R-8 and 65th St East	24,682	6,650	31,332
126	97/98	45754	Res	Ave O and 30th St West	30,159	25,520	55,679
127	97/98	46409	Res	Ave O and 30th St West	8,572	0	8,572
128	97/98	43581	Res	Ave S and 15th St East	50,584	76,640	127,224
129	97/98	46784	Res	Ave O and 30th St West	82,568	63,915	146,483
131	97/98	46430	Res	Rancho Vista Blvd and 20th St West	8,575	23,129	31,704
133	97/98	45802	Res	Ave R and 30th St East	34,977	53,300	88,277
135	97/98	46279	Res	Ave R and 45th St East	0	29,500	29,500
136	97/98	45777	Res	Ave S and 40th St East	6,732	0	6,732
137	98/99	45672	Res	Ave S and 15th St East	15,248	39,648	54,896
138	99/00	Not Available	Res	Ave R and 50th St East	8,085	21,527	29,612

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
139	97/98	46089	Res	Ave S and 55th St East	30,669	31,500	62,169
140	97/98	43883	Res	Ave N and 55th St West	29,200	8,360	37,560
141	02/03	47115, 47116,47117, 44544	Res	SW Corner of Ave R-8 and 65th St East	57,336	6,160	63,496
143	97/98	45657	Res	Ave O and 30th St West	9,114	0	9,114
144	97/98	45911	Res	Ave R and 35th St East	8,794	7,169	15,963
145	97/98	45548	Res	Pear Blossom Hwy and 30th St East	65,816	55,590	121,406
146	97/98	46436	Res	Ave M and 60th St West	60,421	17,484	77,905
148	97/98	36720	Res	Ave S and 30th St East	1,000	0	1,000
150	99/00	42999	Res	Ave M and 60th St West	4,561	16,103	20,664
151	97/98	44476	Res	Ave R-8 and 60th St East	9,319	19,673	28,992
152	97/98	46735	Comm	Rancho Vista Blvd and 10th St West	129,149	66,360	195,509
153	97/98	45092	Res	Ave R-8 and 60th St East	23,700	13,604	37,304
154	97/98	45282	Comm	Ave N and 10th St West	24,486	22,032	46,518
156	97/98	46032	Res	Ave O and 40th St East	10,011	20,449	30,460
157	97/98	44702	Res	Ave M-8 and 55th St West	1,430	4,720	6,150
159	05/06	44543	Res	SE Corner of Russ Pl and 55 St East	4,973	5,456	10,429
160	97/98	45071	Res	Ave O and 30th St West	25,808	19,140	44,948
163	97/98	45277	Res	Ave R and 50th St East	18,460	15,750	34,210
165	97/98	45743	Res	Rancho Vista Blvd and 25th St West	5,848	10,140	15,988
167	97/98	46036	Res	Fairway Dr and Rancho Vista Blvd	3,250	0	3,250
168	97/98	46355	Res	Ave S-8 and 45th St East	6,059	23,100	29,159
171	97/98	45493	Res	Ave R-8 and 60th St East	2,935	15,991	18,926
173	06/07	47510	Res	S of Ave R, W of 55th St East	1,395	0	1,395
175	97/98	33587	Res	Rancho Vista Blvd and 20th St West	9,806	0	9,806
176	97/98	45742	Res	Rancho Vista Blvd and 25th St West	8,616	14,210	22,826
177	97/98	45364	Res	Rancho Vista Blvd and 25th St West	19,847	8,430	28,277
178	97/98	44803	Res	Ave M and 70th St West	85,202	96,276	181,478
179	97/98	46536	Res	Ave P-12 and 25th St West	98,694	46,000	144,694
180	04/05	48846/48847	Res	SW Corner of Ave S-12 and 37th St East	10,242	61,000	71,242
182	99/00	47630	Res	Ave S and 25th St East	12,232	0	12,232
183	97/98	48665	Res	Ave S and 40th St East	11,403	0	11,403
184	05/06	46454	Res	SW Corner of Elizabeth Lake Road and 15th St West	24,873	23,140	48,013
188	97/98	45411	Res	Ave S-8 and 45th St East	6,808	24,598	31,406
189	97/98	47548	Res	Ave S and 40th St East	25,013	0	25,013
190	97/98	45219	Res	Ave S and 40th St East	9,054	19,110	28,164
191	97/98	46044	Res	Ave R and 40th St East	7,977	14,620	22,597
192	97/98	47466	Res	Ave O and Division	13,440	0	13,440
193	97/98	44526	Res	Elizabeth Lake Rd and 20th St West	44,483	34,508	78,991
195	97/98	46586	Comm	Ave P-8 and 5th St West	42,924	0	42,924
197	03/04	46710	Res	Ave R-12 and 25th St East	7,886	15,840	23,726
199	97/98	46123	Res	Elizabeth Lake Rd and 15th St West	1,071	34,155	35,226
201	99/00	25842	Res	Ave R-8 and 40th St East	7,900	24,750	32,650
202	99/00	46157	Res	Ave M-8 and 60th St West	8,454	12,733	21,187
203	97/98	48254	Res	Ave S and 40th St East	13,220	13,770	26,990
204	97/98	45506	Res	Ave R-4 and 65th St East	7,499	22,880	30,379
206	97/98	46333	Res	Ave R-8 and 60th St East	17,945	24,198	42,143
207	97/98	45038	Res	Ave S and 55th St East	19,926	0	19,926
212	98/99	47629	Res	Ave S and 50th St East	15,127	4,294	19,421
213	97/98	46934	Res	Ave S-8 and 45th St East	34,700	46,212	80,912
214	98/99	49058	Res	Ave S and 45th St East	31,179	0	31,179
216	00/01	46925	Res	Division and Ave O-8	32,152	0	32,152
217	05/06	46757	Res	Palmdale Blvd, Ave R, and 65th St East	48,416	50,953	99,369
217-01		Trailer Park	Res	NW Corner of Ave R and 65th St East	0	0	0
217B	05/06	46757	Res	Palmdale Blvd, Ave R, and 65th St East	27,455	16,267	43,722
219	00/01	46910/46911/ 45291	Res	Tierra Subida	15,591	0	15,591
220	97/98	45412	Res	Pear Blossom Hwy and 45th St East	8,014	10,736	18,750
221	04/05	45218-01	Res	Railroad and 30th St East	3,522	122,306	125,828

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
222	99/00	45217/46193/ 46194	Res	Fairfield and 35th St East	10,838	86,190	97,028
224	97/98	48672	Res	Ave S-8 and 55th St East	2,592	41,695	44,287
233	99/00	52646	Res	Division and Ave O	12,696	0	12,696
234	99/00	44826	Res	Ave R-8 and 55th St East	8,588	19,594	28,182
235	00/01	45057	Res	Ave Q and 40th St East	14,266	34,030	48,296
236	01/02	51505	Res	SE Corner of Ave P-8 and 20th St West	9,612	0	9,612
237	01/02	53069	Res	Ave N and 45th St West	12,948	12,075	25,023
238	01/02	47933	Res	Rancho Vista Blvd	20,855	0	20,855
239	02/03	47934	Res	Rancho Vista Blvd	12,051	0	12,051
240	01/02	47935	Res	Rancho Vista Blvd and Ave O-8	46,154	28,455	74,609
241	04/05	53221	Res	NW Corner of 40th St East 300 feet N of R-6	7,981	16,892	24,873
242	02/03	45573	Res	Ave P-4 and 20th St West	3,792	0	3,792
243	01/02	51980	Res	SE Corner of Avenue N and 50th St West	30,949	0	30,949
244	02/03	49016-02, 03	Res	Club Rancho Dr. and 30th St West	4,972	0	4,972
245	02/03	49016-04, 05	Res	SW Corner of Ave N-8 and 30th St West	94,926	0	94,926
246	02/03	49016-08, 09	Res	SE Corner of Ave N-8 and Bolz Ranch Rd	109,486	0	109,486
247	04/05	49016-06	Res	Rancho Vista Golf Course	20,039	0	20,039
248	04/05	49016-07	Res	Bolz Ranch Rd (golf course)	2,970	0	2,970
251	02/03	51989	Res	Ave N and 50th St West	5,536	0	5,536
252	02/03	52142-03	Res	Ave P-8 and 30th St West	24,579	0	24,579
253	02/03	52142-01, -02	Res	NW Corner of Ave P-8 and 25th St West	17,718	0	17,718
254	02/03	46394-01	Res	Rancho Vista Blvd and Ave O-8	34,997	0	34,997
255	02/03	53522	Res	NE Corner of Ave N and 55th St West	42,194	8,030	50,224
256	02/03	46602	Res	SW Corner of Ave N-8 and 55th St West	13,939	37,398	51,337
256-01	05/06	52489/52490/ 54075/53921	Res	NE Corner Ave N-8 and 55th St West	20,011	34,825	54,836
257	04/05	53608	Res	NW Corner of Ave S-12 and 30th St East	24,560	0	24,560
259	03/04	53855, 54806	Res	Ave P-8 and 20th St West	11,182	0	11,182
260	03/04	48014	Res	Ave P-8 and Summerwind	45,876	0	45,876
261	04/05	43689, 43690, 43691	Res	Rancho Vista Blvd and 11th St West	6,965	0	6,965
262	04/05	44893	Res	SE Corner of Ave S and 52nd St East	11,419	0	11,419
263	05/06	46597	Res	SW Corner of Ave S-8 and 40th St East	15,297	17,250	32,547
264	04/05	60053	Res	NW Corner of Ave R and 40th St East	20,872	21,840	42,712
265	04/05	53857	Res	NW Corner of Bolz Ranch Rd and Sawgrass Dr	16,342	0	16,342
266	04/05	54399	Res	NE Corner of Ave P-6 and 25th St West	24,844	15,900	40,744
267	04/05	53199, 54226, & 60745	Res	Avenue R, 60th East to Palmdale Blvd	70,634	51,220	121,854
268	04/05	54058-01, 02, 03, 04, & 05	Res	SE Corner of Ave P-8 and 25th St West	40,129	0	40,129
271	05/06	53869	Res	NE Corner of Ave Q-8 and Tierra Subida	12,129	26,924	39,053
272	04/05	49147-01, 02, & 03	Res	NW Corner of Ave R and 70th St East	19,558	45,797	65,355
272-01	05/06	49147-04, 05, & 06	Res	NW Corner of Ave R and 70th St East	0	0	0
272-02	06/07	63008	Res	NW Corner of Ave R and 70th St East	3,042	3,042	6,084
273	05/06	54339	Res	SE Corner of Ave M and 70th St West	38,624	0	38,624
274	04/05	54383	Res	Turner Dr and 25th St East	40,451	18,700	59,151
275	05/06	060162,46755	Res	Meridith Avenue and Rockie Lane	2,886	5,271	8,157
276	04/05	60128	Res	Rockie Lane, Ave R-8 to Ave S	3,057	12,103	15,160
277	04/05	52200 01 & 02	Res	W of Ave P-12 and 30th St West	394,956	167,158	562,114
278	05/06	060028, 01, & 02	Res	SE corner of Ave R and 70th St East	69,760	52,140	121,900
279	05/06	60462	Res	Bolz Ranch Rd and Homeridge Dr	6,965	0	6,965
280		53920	Res	Fort Tejon Road N of SP RailRoad (50th East)	0	0	0
281	05/06	52921	Res	SW Corner of Ave S and 60th St East	48,080	12,838	60,918
282	05/06	61699	Res	Ave S-2 and Julian Lane	3,220	0	3,220
283	05/06	61770	Res	SE Corner of Avenue S and Hillcrest Drive	8,106	0	8,106

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
286	05/06	60954	Res	SE Corner of Palmdale Blvd and 50th St East	10,726	22,344	33,070
287	05/06	46356, 52029	Res	NE Corner of Pearblossom and 47th East	30,840	303,660	334,500
288		060008 Ph 1 & 2	Res	SW Corner of Ave S and 62nd St East	0	0	0
289	05/06	61660	Res	NE Corner of Ave Q-13 and 12th St East	3,655	10,664	14,319
290	22/23	54209	Res	NE Corner of Ave R and 35th St East	0	0	0
292	05/06	54301	Res	North Side of Ave M-8 between 65th and 70th West	82,547	0	82,547
292-01	06/07	60209	Res	70th and M	34,204	19,494	53,698
292-02		60431			0	0	0
293	05/06	62695	Res	South Side of Ave N-8 west of Entrar Drive	24,490	0	24,490
294	06/07	60789	Res	W side of 40th St East and both sides of Hollowglen DR	3,042	0	3,042
295	06/07	62068	Res	N of Ave S and E or Rockie Lane	10,157	41,628	51,785
296	05/06	62020	Res	North of Ave S and West of Downing Street	16,751	30,337	47,088
297	06/07	61610	Res	South of Palmdale Bl, West of 58th St East	0	0	0
298	06/07	61611/61981	Res	N of Ave S, E of 65th St E	35,987	24,175	60,162
299	05/06	52806	Res	Between 25th St E and 27th St E 500 ' S of Palmdale Bl	16,128	0	16,128
301	06/07	62974	Res	E of 40th St East and S of Ave Q	19,505	13,290	32,795
302	06/07	60926	Res	N or Ave R and W of 40th St East	14,372	0	14,372
304	07/08	53067	Res	S of Palmdale Blvd, W of 55th St E	14,307	14,384	28,691
305		62371			0	0	0
306		53342			0	0	0
309		61941			0	0	0
312	07/08	61045	Res	South of Palmdale Blvd and West of 52nd St East	12,934	12,181	25,115
313	07/08	62213	Res	N of Ave S-4 and W of 42nd St E	7,802	8,673	16,475
314	06/07	51224	Res	South of Spanish Broom Dr between Firethorn Ave and Waltham	17,990	72,836	90,826
315	06/07	60511	Res	S of Avenue R, E of 40th St E	12,128	0	12,128
316	06/07	49215	Res	S of Avenue S-8, W of 42nd St East	1,772	0	1,772
317		61443	Res		0	0	0
318	07/08	51451	Res	Fort Tejon RD and 47th St E south of Ave S and N of the UPRR	38,800	29,000	67,800
319	07/08	62490/66868	Res	Corner of Rancho Vista Blvd & Extension of Tilbury Dr	26,398	48,987	75,385
320	07/08	60431	Res	N of Ave M-8, W of 70th St W	85,614	99,056	184,670
321	14/15	66204	Res	North side of E Ave R-8, bw 57th St E & Segovia Way	1,917	0	1,917
322	14/15	47510	Res	SE corner of Tackstem & Ave R	1,545	0	1,545
324	22/23	73740	Res	SE corner Taintor Road & Division St	7,868	0	7,868
900	04/05	54438, 53888	Res/Comm	Ave S and Bridge Road	614,466	0	614,466
901	06/07	Ritter Ranch	Res	Elizabeth Lake Road	2,560,000	0	2,560,000

(1) The City is not currently maintaining landscaping improvements of Assessment District Nos. 173, 277, 280, 288, 900 and 901. See section 3.2 for additional information.

8. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2025/26, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2025/26 assessment for the Assessment Districts.

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
1	75	75.00	$2,397.75	$31.97	$31.97
2	223	223.00	31,846.63	142.81	142.81
5	110	110.00	40,859.50	371.45	371.45
6	19	19.00	4,480.77	235.83	235.83
7	167	167.00	24,265.10	145.30	145.30
9	289	289.00	43,503.17	150.53	150.53
10	176	176.00	8,252.64	46.89	46.89
11	208	208.00	106,236.00	510.75	510.75
12	205	205.00	77,879.50	379.90	379.90
13	130	130.00	3,324.10	25.57	25.57
14	67	67.00	3,855.18	57.54	57.54
15	60	60.00	20,007.60	333.46	333.46
16	45	45.00	24,408.45	542.41	542.41
17	92	92.00	17,427.56	189.43	189.43
19	44	44.00	18,439.08	419.07	419.07
20	136	136.00	29,210.08	214.78	214.78
21	40	40.00	13,254.00	331.35	331.35
22	78	78.00	49,716.42	637.39	637.39
23	142	142.00	26,333.90	185.45	185.45
24	884	884.00	226,144.88	255.82	255.82
24-1	165	165.00	40,877.10	247.74	247.74
24-2	95	95.00	23,535.30	247.74	247.74
24-3	100	100.00	43,740.00	437.40	437.40
24-4	19	19.00	4,814.22	253.38	253.38
24-5	170	170.00	13,567.70	79.81	79.81
24-6	238	238.00	33,243.84	139.68	139.68
25	43	43.00	5,794.25	134.75	134.75
26	87	87.00	10,569.63	121.49	121.49
28	78	78.00	7,225.92	92.64	92.64
29	71	71.00	9,080.19	127.89	127.89
30	36	36.00	13,144.32	365.12	365.12
31	86	86.00	8,981.84	104.44	104.44
32	107	107.00	24,388.51	227.93	227.93
33	167	167.00	38,445.07	230.21	230.21
35	14	14.00	1,149.82	82.13	82.13
36	61	61.00	7,410.89	121.49	121.49
37	47	47.00	4,265.25	90.75	90.75
39	45	45.00	6,409.80	142.44	142.44
40	127	127.00	49,319.18	388.34	388.34
41	299	299.00	43,295.20	144.80	144.80
42	39	39.00	14,157.39	363.01	363.01

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
43	172	172.00	33,687.92	195.86	195.86
44	143	143.00	34,528.78	241.46	241.46
46	45	45.00	15,257.25	339.05	339.05
48	39	39.00	2,742.87	70.33	70.33
49	55	55.00	8,323.70	151.34	151.34
51	59	59.00	7,455.24	126.36	126.36
52	127	127.00	30,286.96	238.48	238.48
56	178	178.00	6,384.86	35.87	35.87
58	41	41.00	4,749.03	115.83	115.83
59	179	179.00	17,550.95	98.05	98.05
60	81	81.00	17,739.00	219.00	219.00
61	178	178.00	47,974.56	269.52	269.52
62	16	16.00	9,652.16	603.26	603.26
63	240	240.00	47,503.20	197.93	197.93
64	120	120.00	7,929.60	66.08	66.08
65	320	320.00	33,424.00	104.45	104.45
66	327	327.00	55,763.31	170.53	170.53
67	173	173.00	11,291.71	65.27	65.27
68	100	100.00	24,904.00	249.04	249.04
69	89	89.00	9,106.48	102.32	102.32
70	137	137.00	23,366.72	170.56	170.56
72	219	219.00	43,806.57	200.03	200.03
73	160	160.00	25,920.00	162.00	162.00
75	111	111.00	32,960.34	296.94	296.94
76	84	84.00	9,130.80	108.70	108.70
77	40	40.00	12,578.80	314.47	314.47
78	174	174.00	42,979.74	247.01	247.01
80	6	101.43	17,717.62	174.67	174.67
82	19	19.00	5,443.88	286.52	286.52
83	25	25.00	2,211.50	88.46	88.46
84	69	69.00	20,885.61	302.69	302.69
85	581	581.00	127,239.00	219.00	219.00
86	86	86.00	6,700.26	77.91	77.91
87	318	318.00	51,547.80	162.10	162.10
88	72	72.00	22,134.24	307.42	307.42
89	406	406.00	52,142.58	128.43	128.43
92	40	40.00	9,961.60	249.04	249.04
93	21	21.00	1,969.38	93.78	93.78
94	78	78.00	15,795.78	202.51	202.51
96	88	88.00	5,190.24	58.98	58.98
97	46	46.00	5,011.24	108.94	108.94

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
98	225	225.00	26,536.50	117.94	117.94
99	164	164.00	17,265.92	105.28	105.28
100	233	233.00	5,957.81	25.57	25.57
102	168	168.00	11,459.28	68.21	68.21
103	229	229.00	20,781.75	90.75	90.75
105	260	260.00	19,396.00	74.60	74.60
106	14	14.00	7,746.06	553.29	553.29
107	32	32.00	9,140.48	285.64	285.64
109	109	109.00	8,510.72	78.08	78.08
110	121	121.00	10,954.13	90.53	90.53
111	77	77.00	16,375.59	212.67	212.67
112	103	103.00	13,042.89	126.63	126.63
113	83	83.00	9,081.03	109.41	109.41
114	42	42.00	9,817.50	233.75	233.75
115	159	159.00	13,494.33	84.87	84.87
116	33	33.00	4,572.15	138.55	138.55
119	80	80.00	39,420.00	492.75	492.75
120	154	154.00	28,212.80	183.20	183.20
121	48	48.00	13,847.04	288.48	288.48
122	178	178.00	55,843.94	313.73	313.73
123	192	192.00	10,108.80	52.65	52.65
125	113	113.00	11,184.74	98.98	98.98
126	107	107.00	22,755.69	212.67	212.67
127	117	117.00	7,636.59	65.27	65.27
128	413	413.00	122,933.58	297.66	297.66
129	255	255.00	102,563.55	402.21	402.21
131	80	80.00	14,990.40	187.38	187.38
133	285	285.00	43,815.90	153.74	153.74
135	58	58.00	3,785.66	65.27	65.27
136	84	84.00	11,537.40	137.35	137.35
137	207	207.00	26,647.11	128.73	128.73
138	93	93.00	13,246.92	142.44	142.44
139	161	161.00	46,108.79	286.39	286.39
140	121	121.00	9,355.72	77.32	77.32
141	159	159.00	70,810.65	445.35	445.35
143	81	81.00	9,552.33	117.93	117.93
144	90	90.00	9,665.10	107.39	107.39
145	402	402.00	68,536.98	170.49	170.49
146	64	64.00	31,805.44	496.96	496.96
148	115	115.00	3,921.50	34.10	34.10
150	33	33.00	12,331.11	373.67	373.67

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
151	91	91.00	11,880.96	130.56	130.56
152	39	115.71	123,941.98	1,071.14	1,071.14
153	100	100.00	24,005.00	240.05	240.05
154	38	25.18	31,803.93	1,263.27	1,263.27
156	81	81.00	12,792.33	157.93	157.93
157	16	16.00	3,274.24	204.64	204.64
159	46	46.00	23,580.52	512.62	512.62
160	112	112.00	29,953.28	267.44	267.44
163	75	75.00	24,321.75	324.29	324.29
165	85	85.00	7,519.10	88.46	88.46
167	21	21.00	752.01	35.81	35.81
168	87	87.00	8,976.66	103.18	103.18
171	36	36.00	4,851.36	134.76	134.76
173	0	0.00	0.00	0.00	N/A
175	32	32.00	8,894.08	277.94	277.94
176	38	38.00	8,721.38	229.51	229.51
177	56	56.00	22,169.84	395.89	395.89
178	150	150.00	57,802.50	385.35	385.35
179	394	394.00	87,944.74	223.21	223.21
180	74	74.00	34,779.26	469.99	469.99
182	60	60.00	20,066.40	334.44	334.44
183	42	42.00	14,150.22	336.91	336.91
184	174	174.00	47,554.20	273.30	273.30
188	82	82.00	10,531.26	128.43	128.43
189	38	38.00	9,601.84	252.68	252.68
190	68	68.00	9,736.92	143.19	143.19
191	84	84.00	8,488.20	101.05	101.05
192	71	71.00	7,304.48	102.88	102.88
193	151	151.00	38,154.68	252.68	252.68
195	141	179.78	39,622.07	220.39	220.39
197	43	43.00	28,068.25	652.75	652.75
199	118	118.00	4,437.98	37.61	37.61
201	82	82.00	13,203.64	161.02	161.02
202	21	21.00	8,323.98	396.38	396.38
203	56	56.00	12,145.28	216.88	216.88
204	83	83.00	10,659.69	128.43	128.43
206	80	80.00	15,668.80	195.86	195.86
207	194	194.00	17,972.16	92.64	92.64
212	69	69.00	23,445.51	339.79	339.79
213	228	228.00	37,446.72	164.24	164.24
214	49	49.00	14,270.76	291.24	291.24

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
216	223	223.00	39,221.24	175.88	175.88
217	388	388.00	123,046.44	317.13	317.13
217-01	0	0.00	0.00	0.00	N/A
219	91	91.00	14,369.81	157.91	157.91
220	126	126.00	10,876.32	86.32	86.32
221	92	92.00	81,401.60	884.80	884.80
222	197	197.00	84,390.86	428.38	428.38
224	78	78.00	5,420.22	69.49	69.49
233	31	31.00	5,695.63	183.73	183.73
234	48	48.00	4,345.44	90.53	90.53
235	148	148.00	37,578.68	253.91	253.91
236	72	72.00	7,945.92	110.36	110.36
237	23	23.00	21,005.67	913.29	913.29
238	84	84.00	29,459.64	350.71	350.71
239	95	95.00	17,419.20	183.36	183.36
240	132	132.00	68,390.52	518.11	518.11
241	85	85.00	68,096.05	801.13	801.13
242	45	45.00	2,082.15	46.27	46.27
243	40	40.00	43,305.60	1,082.64	1,082.64
244	104	104.00	70,878.08	681.52	681.52
245	118	118.00	80,419.36	681.52	681.52
246	158	158.00	107,680.16	681.52	681.52
247	51	51.00	34,774.35	681.85	681.85
248	49	49.00	33,410.65	681.85	681.85
251	19	19.00	1,470.60	77.40	77.40
252	156	156.00	24,715.08	158.43	158.43
253	161	161.00	22,689.73	140.93	140.93
254	49	49.00	26,780.46	546.54	546.54
255	41	41.00	43,350.53	1,057.33	1,057.33
256	99	99.00	44,563.86	450.14	450.14
256-01	103	103.00	49,662.48	482.16	482.16
257	78	78.00	54,259.92	695.64	695.64
259	72	72.00	13,065.12	181.46	181.46
260	86	86.00	57,232.14	665.49	665.49
261	144	144.00	11,790.72	81.88	81.88
262	122	122.00	23,890.04	195.82	195.82
263	64	64.00	38,074.24	594.91	594.91
264	108	108.00	59,218.56	548.32	548.32
265	64	64.00	40,334.08	630.22	630.22
266	79	79.00	60,740.73	768.87	768.87
267	255	255.00	175,687.35	688.97	688.97

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
268	390	389.00	148,197.33	380.97	380.97
271	67	67.00	37,096.56	553.68	553.68
272	170	170.00	87,390.20	514.06	514.06
272-01	170	170.00	87,436.10	514.33	514.33
272-02	41	41.00	21,078.51	514.11	514.11
273	83	83.00	73,089.80	880.60	880.60
274	62	62.00	59,579.52	960.96	960.96
275	18	33.00	27,539.31	834.52	834.52
276	38	38.00	25,504.08	671.16	671.16
277	0	0.00	0.00	0.00	N/A
278	372	372.00	271,909.68	730.94	730.94
279	41	41.00	20,736.16	505.76	505.76
280	0	0.00	0.00	0.00	N/A
281	168	168.00	75,541.20	449.65	449.65
282	38	38.00	8,273.36	217.72	217.72
283	33	33.00	7,411.14	224.58	224.58
286	78	78.00	52,287.30	670.35	670.35
287	198	198.00	92,671.92	468.04	468.04
288	0	0.00	0.00	0.00	N/A
289	23	23.00	12,001.63	521.81	521.81
290	95	190.00	93,531.30	492.27	492.27
292	180	180.00	148,519.80	825.11	825.11
292-01	40	40.00	33,004.40	825.11	825.11
292-02	0	0.00	0.00	0.00	N/A
293	42	42.00	30,376.50	723.25	723.25
294	16	16.00	8,921.76	557.61	557.61
295	50	50.00	37,767.00	755.34	755.34
296	66	66.00	48,176.70	729.95	729.95
297	5	0.00	0.00	0.00	N/A
298	60	60.00	74,276.40	1,237.94	1,368.30
299	204	204.00	46,236.60	226.65	226.65
301	62	62.00	52,775.64	851.22	851.22
302	1	0.00	0.00	0.00	N/A
304	66	66.00	36,354.12	550.82	550.82
305	0	0.00	0.00	0.00	N/A
306	0	0.00	0.00	0.00	N/A
309	0	0.00	0.00	0.00	N/A
312	1	0.00	0.00	0.00	N/A
313	2	0.00	0.00	0.00	N/A
314	117	117.00	85,873.32	733.96	733.96
315	28	28.00	22,328.04	797.43	797.43

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2025/26 Assessment Amount	FY 2025/26 Proposed Assessment Rate Per EDU	FY 2025/26 Maximum Assessment Rate Per EDU (2)
316	8	0.00	0.00	0.00	N/A
317	0	0.00	0.00	0.00	N/A
318	12	0.00	0.00	0.00	N/A
319	12	0.00	0.00	0.00	N/A
320	52	0.00	0.00	0.00	N/A
321	2	0.00	0.00	0.00	N/A
322	0	0.00	0.00	0.00	N/A
323	0	0.00	0.00	0.00	N/A
324	56	112.00	13,871.20	123.85	123.85
325	0	0.00	0.00	0.00	N/A
326	0	0.00	0.00	0.00	N/A
900	1,417	0.00	0.00	0.00	N/A
901	35	0.00	0.00	0.00	N/A
Totals	**28,790**	**27,606.10**	**$7,628,270.66**		

(1) Includes parcels levied and active parcels not yet subject to the assessment.

(2) Rate for Assessment District Nos. 290 & 324 is per Benefit Unit, as defined in the annexation Engineer's Report for each district.

CITY OF PALMDALE

Fiscal Year 2025/26 Engineer's Report For:

Park Maintenance and Recreation Improvement District

May 2025

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

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TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Process for Annual Assessment 3

2.3 Legislative Context 4

3. Plans and Specifications 6

3.1 Description of Improvements and Services 7

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Discussion of Benefit 11

5.2 Benefit Factors 12

5.3 Benefit Finding 13

5.4 General Versus Special Benefit 13

5.5 Calculating General Benefit 14

5.6 Zones of Benefit 17

5.7 Method of Assessment 18

5.8 Cost of Living Inflator 23

5.9 Fiscal Year 2025/26 Maximum Assessment 23

5.10 Duration of Assessment 23

5.11 Appeals and Public Hearing 23

6. Assessment Diagram 25

7. Assessment Roll 27

1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Annual Engineer's Report for the Park Maintenance and Recreation Improvement District (the "District") for Fiscal Year 2025/26, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2025/26, the diagram for the District, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the District in proportion to the special benefit received.

Zone of Benefit	Parcels[1]	SFE Units[2]	FY 2025/26 Proposed Assessment Amount	FY 2025/26 Proposed Assessment Rate Per SFE	FY 2025/26 Maximum Assessment Rate Per SFE
Zone A	43,030	49,299.14	$3,135,891.33	$63.61	$63.61
Zone B	360	132.59	4,216.36	31.80	31.80
Zone C	2,238	1,970.41	125,336.49	63.61	63.61
Totals:	**45,628**	**51,402.14**	**$3,265,444.18**		

(1) Includes only parcels levied.
(2) Single Family Equivalent Unit. See "Method of Assessment" for explanation of SFE apportionment.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of District formation.

John G. Egan

John G. Egan, P. E.
Assessment Engineer



2. INTRODUCTION

2.1 Background

In June and July of 2002, the City conducted a city-wide assessment ballot proceeding pursuant to the requirements of Article XIII D of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Landscape and Lighting Act of 1972 for a proposed City of Palmdale Park Maintenance and Recreation Improvement Assessment District to fund improvements to parks and recreational facilities in the City. During this ballot proceeding, property owners in the City were provided with a notice and ballot for a proposed benefit assessment and a 45-day period was provided for balloting. A public hearing to conclude the balloting period was conducted on July 24, 2002.

After the ballots were tabulated, it was determined that 55.9% of the weighted ballots returned were in support of the assessment. Since the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted), the City gained the authority to approve the levy of the assessments for Fiscal Year 2002/03 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual increase in the maximum authorized assessment rate equal to the annual change in the Consumer Price Index (CPI) for the Los Angeles Area, not to exceed 3% per year. In the event the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved for years in which the CPI change is less than 3%. The initial assessment rate approved in 2002 was $36.00 per single family equivalent benefit unit, plus an annual increase not to exceed 3% according to the CPI for the Los Angeles area.

Due to their greater distance from the public facilities and the new parks and recreation facilities to be installed, maintained, and serviced by the District, areas in the City farthest east and west were deemed to receive less benefit relative to other areas in the City (Zone A) and were assigned 50% of the assessment rate. These areas of reduced proximity were named Zone of Benefit B or Zone B.

As the City has grown and built additional parks, public and recreational facilities, the western area of the City, generally described as the City incorporated areas west of the California Aqueduct, is benefiting from additional parks and recreation areas that can be funded and maintained in part by the District. For Fiscal Year 2006/07 assessments, properties in this western area were classified as being within Zone of Benefit C or Zone C. Since the proximity to parks and recreation facilities in Zone C is generally equivalent to properties within Zone A, the assessments per single family equivalent unit for properties in Zone C were proposed to increase, matching that rate assessed to parcels in Zone A.

In order to allow property owners in Zone C to ultimately decide whether they were in support of the increased assessments in their Zone of Benefit, in 2006, an assessment ballot proceeding was conducted for property owners in Zone C. After the ballots were mailed to property owners in Zone C, a minimum 45-day time period was provided for the return of the assessment ballots. Following this 45-day time period, a public hearing was held on July 5, 2006 for the purpose of allowing public testimony regarding the proposed increased assessments.

At the public hearing the ballots were tabulated and it was determined that 86.18% of the returned ballots from Zone C (weighted by the proportional financial obligation of the property for which ballots are

submitted) were in favor of the proposed increased assessments to match the assessment rate of Zone A. Therefore, the City Council took action, by resolution number CC 2006-191, to approve the levy of the increased assessments in Zone C for Fiscal Year 2006/07.

2.2 Process for Annual Assessment

In each subsequent year for which the assessment will be continued, and as required by the procedures specified in the 1972 Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicate the general location of the district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.3 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[1]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[2] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[3] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[4] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real

[1] *California Constitution Article XIII D Section 4.*
[2] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[3] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[4] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[5], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[6] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[5] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[6] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The City maintains park and recreational facilities in locations throughout its boundaries, which contain over 48,000 parcels. The District provides funding for the installation, maintenance, and servicing of parks and recreation facilities within the City, including, but not limited to the City's current parks and recreation facilities:

- Poncitlán Square (4.00 Acres), 38315 9th St. East
- Tejon Park Barrel Springs Equestrian Arena (20.00 Acres), East of Sierra Highway / South of Barrel Springs Road
- Pelona Vista Park (73.00 Acres), 37800 Tierra Subida Avenue
- Manzanita Heights Park (5.00 Acres), 431 Mesa Verde Street
- Arnie Quinones Park (2.50 Acres), 41003 50th Street West
- Desert Sands Park (20.00 Acres), 39117 3rd Street East
- Joe Davies Heritage Airpark at Palmdale Plant 42 (20.00 Acres), 2001 East Avenue P
- William J. McAdam Park & Pool (20.00 Acres), 38115 30th Street East
- Domenic Massari Park (40.00 Acres), 37716 55th Street East
- Sam Yellen Park (24.93 acres), Phase 1 completed (12.00 acres), Avenue S between 47th East and 55th Street East
- Joshua Hills Park (3.64 Acres), 3110 Fairfield Avenue
- Palmdale Playhouse (2,700 square feet), 38334 10th Street East
- Melville J. Courson Park (7.50 Acres), 38226 10th Street East (under construction by developer)
- Legacy Commons (new Palmdale Senior Center opened 2010) (14,000 square feet), 930 East Avenue Q-9
- Palmdale Senior Center Park (1.00 acre) park site between 9th Street East & 10th Street East and Q-9 & Q-10
- Dry Town Waterpark (7.00 acres), at Palmdale Oasis Park, 3850-B East Avenue S
- Palmdale Oasis Recreation Center (17,500 square feet), 3850-A East Avenue S
- Palmdale Oasis Park (33.00 acres), southwest corner of Avenue S and 40th Street East, 3850-A E. Avenue S
- Competition Swimming Pool at Palmdale Oasis Park, 3850-C East Avenue S
- Marie Kerr Park (57.00 Acres), 39700 30th Street West & 2723 Rancho Vista Boulevard
- Palmdale Amphitheater at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Best of the West Softball Complex, at Marie Kerr Park, 2723-F Rancho Vista Boulevard
- Competition Swimming Pool at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Marie Kerr Recreation Center, 2723-A Rancho Vista Boulevard
- Lot adjacent to Amphitheatre/Marie Kerr Park (20.00 Acres), (not developed, currently used for overflow parking), 2723 Rancho Vista Boulevard
- Dr. Robert C. St. Clair Parkway (8.72 Acres), Sierra Highway
- Demonstration Garden (0.76 Acres), NEC of Palmdale Boulevard & Sierra Highway
- Foothill Park (12.33 Acres), 2525 The Groves
- Anaverde Hills Park (6.42 Acres), 2820 Greenbrier Street

- Larry Chimbole Cultural Center (19,300 square feet), 38350 Sierra Highway
- Hammack Activity Center/ Roller Hockey Rinks (29,000 square feet), 815 East Avenue Q-6 (Boys & Girls Club)
- Rancho Vista Neighborhood Park (5.00 Acres), Bolz Ranch / Town Center Road (not developed)
- Palmenthol History Park (16.30 Acres), Avenue S & 20th Street East (not developed)
- A.C. Warnack Nature Park (131.27 Acres), East of Godde Hill & South of the California Aqueduct (not developed)

3.1 Description of Improvements and Services

The assessments shall also provide funding for the installation, maintenance, and servicing of new parks and recreation facilities, including, but not limited to new neighborhood and community parks, family aquatics facility, covered swimming pools, additional recreation centers, public amphitheater, additional sports fields, improvements to park safety including enhanced lighting, replacement of antiquated playground equipment, additional park maintenance services, acquisition of lands for parks and recreation uses, and expansion of existing parks and recreation areas.

The work and improvements (the "improvements") proposed to be undertaken by the District, and the cost thereof paid from the levy of the annual assessment, provide special benefit to assessor parcels within the District as defined in the Method of Assessment herein. In addition to the definitions provided by the Act the improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements, including, but not limited to, turf and play areas, park grounds and facilities, playground equipment, hard court surfaces, amphitheaters, tennis courts, gymnasiums, senior centers, recreation centers, aquatic parks, running tracks, walking paths, sports fields, basketball courts, swimming pools, landscape corridors, open space, trails, other recreational facilities, ground cover, shrubs and trees, irrigation and sprinkler systems, landscaping, drainage systems, lighting, fencing, entry monuments, graffiti removal and repainting, and labor, materials, supplies, utilities, equipment, and any debt service on bonds or other indebtedness issued for the improvements as applicable, at each of the locations owned, operated or maintained by the City. Plans and specifications for these improvements are filed with the Director of Parks and Recreation of the City and are incorporated herein by reference.

As applied herein, "Installation" means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, and/or the construction of playground equipment, play courts, recreational facilities and public restrooms.

"Maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of said improvements, including repair, removal, or replacement of all or any part of any improvement; providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current or energy for the operation or lighting of any improvements, and the furnishing of water for irrigation of any landscaping or the maintenance of any other improvements.

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment (Streets & Highways Code Section 22526). The assessment proceeds will be exclusively used for improvements within the District plus incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the City.

4. ESTIMATE OF COSTS

The estimate of costs provided in this Engineer's Report is for Fiscal Year 2025/26 and is derived from a multi-year, City-wide parks and recreation improvement plan that includes significant new recreation facilities such as neighborhood and community parks, a family aquatics center, two covered year-round swimming pools, two recreation centers, a public amphitheater, a multi-field softball complex, improvements to park safety including enhanced lighting, additional walkways and trails, replacement of antiquated playground equipment, and enhanced park maintenance services.

The estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below.

Park Maintenance and Recreation Improvement District Budget	
Description	**Proposed FY 2025/26 Costs**
Beginning Fund Balance	($667,096.24)
Installation, Maintenance & Servicing Costs [1]	
Maintenance & Operation of Vision Facilities	$2,650,100.00
Maintenance of Parks & Recreation Facilities [2]	4,441,988.30
Totals for Installation, Maintenance & Servicing	**$7,092,088.30**
Less: City Contribution [3]	**($2,836,835.32)**
Net Cost of Installation, Maintenance & Operation	**$4,255,252.98**
Incidental Costs	
Collection and Administration	$0.00
Totals for Incidentals	**$0.00**
Less: Fund Balance Contribution	**($989,808.80)**
Fiscal Year 2025/26 Net Amount to be Assessed [4]	**$3,265,444.18**
Estimated Ending Fund Balance	($1,656,905.04)

Budget Allocation to Property [5]				
Zone of Benefit	**Parcels** [6]	**SFE Units** [7]	**FY 2025/26 Maximum Assessment Rate Per SFE**	**FY 2025/26 Amount to be Assessed**
Zone A	43,030	49,299.14	$63.61	$3,135,891.33
Zone B	360	132.59	31.80	4,216.36
Zone C	2,238	1,970.41	63.61	125,336.49
Totals:	**45,628**	**51,402.14**		**$3,265,444.18**

Notes to Estimate of Costs:

(1) Additional details regarding budgeted improvements and future projects are as follows:
    - Rancho Vista Park – park site with open space, restrooms, playground, and parking lot.
    - Vacant lot next to Amphitheater – design for park and ride.
    - Arnie Quinones Park – design of future additional features including restroom, paved parking lot, lighting, tot lot, and pathways.
    - Marie Kerr Park Upgrades – tot lot upgrades.
    - Dry Town Water Park Upgrades – refurbishment of three existing slides, tower, and Little Miner's camp.
    - Dry Town Lazy River Replastering – replastering of lazy river, construction was expected to begin April 2020.
    - Palmdale Oasis Park Upgrades – design and possible construction of play area, playground equipment, restroom facility, landscaping and irrigation of fields, additional parking.
    - Domenic Massari Upgrades – sidewalk improvements throughout the park construction was expected to begin summer 2020, three new basketball courts with covers and upgrades to existing basketball court.
    - Sam Yellen Park – design of Phase 2 upgrades.
    - McAdam Park Renovations – upgrades to existing restroom facility.
    - Sports Field Renovation – field upgrades and renovations as needed at various park sites.

(2) The item, “Maintenance of Park and Recreation Facilities,” would provide funding for enhanced maintenance of all parks and recreation facilities on a daily basis, seven days per week. Services would include mowing turf, trimming and caring for landscaping, fertilization and aeration of grounds and playfields, routine maintenance and safety inspections, painting, replacing/repairing broken or damaged equipment, trash removal and cleanup, irrigation and irrigation system maintenance, and other services as needed.

(3) As determined in the following section, at least 40% of the $7,092,088.30 total cost of Park Improvements, Installation, Maintenance and Servicing, must be funded from sources other than the assessments, to cover any general benefits from the improvements. Therefore, $2,836,835.32 or 40% of the total for Installation, Maintenance and Servicing is for general benefits that cannot be assessed to property owners in the District. The additional amount contributed is the City’s contribution in excess of the estimated general benefits.

(4) Includes installment rounding for Los Angeles County tax roll purposes.

(5) The Act stipulates that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Engineer’s Report. Any balance remaining at the end of the fiscal year, July 1, must be carried over to the next fiscal year. The City may also establish a reserve fund for contingencies and special projects as well as a capital improvement fund for accumulating funds for larger capital improvement projects or capital renovation needs. Any remaining unexpended balance would either be placed in the reserve fund, the capital improvement fund, or would be used to reduce future years' Assessments.

(6) Includes only parcels levied.

(7) Single Family Equivalent Unit. See "Method of Assessment" for explanation of SFE apportionment.

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits derived from the improvements to park and recreation facilities and improvements throughout the City, as well as a description of the assessment methodology used to apportion the total assessment to properties within the District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year Engineer's Report[7] has been referenced to describe the Method of Apportionment within the following section of this report.*** [8]

The District consists of all assessor parcels within the boundaries of the City. The method used for apportioning the assessment is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the District or to the public at large. Special benefit is calculated for each parcel in the District using the following process:

1. Identification of all benefit factors derived from the improvements;
2. Calculation of the proportion of these benefits that are general;
3. Determination of the relative special benefit within different areas within the District;
4. Determination of the relative special benefit per property type; and
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes.

5.1 Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. Any and all general benefit, including benefit that is indirect or derivative, must be funded from another source. This special benefit is received by property over and above any general benefits from the improvements. With reference to the requirements for assessments, Section 22573 of the Act states:

> *"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Proposition 218, as codified in Article XIII D of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

> *"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

[7] *Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[8] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The *SVTA* decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel, and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The *SVTA* decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

> *The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit (Art. XIIID, sections 2(i) & 4(f)). The *SVTA* decision further clarifies that special benefits must provide a direct advantage to benefiting property and that proximity to a park is an example of a special benefit.

5.2 Benefit Factors

The improvements are expected to confer certain special benefits to parcels within the District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described below:

EXTENSION OF A PROPERTY'S OUTDOOR AREAS AND GREEN SPACES FOR PROPERTIES WITHIN CLOSE PROXIMITY TO THE IMPROVEMENTS

In large part, because it is cost prohibitive to provide large open land areas on property in the District, the residential, commercial and other benefiting properties in the District do not have large outdoor areas and green spaces. The parks in the District provide these larger outdoor areas that serve as an effective extension of the land area for proximate properties because the improvements are uniquely proximate and accessible to property in close proximity to the improvements. The improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the improvements.

According to the industry-standard guidelines established by the National Park and Recreation Association (the "NPRA"), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. The service radii for neighborhood parks and neighborhood green spaces were specifically established to give all properties within these service radii close proximity and easy walking access to such public land areas. Likewise, community parks, with their large size, have a somewhat larger service area. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the improvements - and this advantage is not received by other properties or the public at large.

An analysis of the service radii for the improvements finds that all properties in the District enjoy the distinct and direct advantage of being close and proximate to parks within the District. The benefiting properties in the District therefore uniquely and specially benefit from the improvements.

PROXIMITY TO IMPROVED PARKS AND RECREATIONAL FACILITIES

Only the specific properties within close proximity to the improvements are included in the District. Therefore, property in the District enjoys unique and valuable proximity and access to the improvements that the public at large and property outside the District do not share.

In absence of the assessments, the improvements would not be provided and the parks and recreation areas in the District would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the District, they provide a direct advantage and special benefit to property in the District.

ACCESS TO IMPROVED PARKS, OPEN SPACE AND RECREATIONAL AREAS

Since the parcels in the District are nearly the only parcels that enjoy close access to the improvements, they directly benefit from the unique close access to improved parks, open space and recreation areas that are provided by the assessments. This is a direct advantage and special benefit to property in the District.

IMPROVED VIEWS

The District, by maintaining the landscaping at its park, recreation and open space facilities provides improved views to properties with direct line-of-sight as well as other local properties which benefit from improved views when property is accessed. Therefore, the improved and protected views provided by the assessments are another direct and tangible advantage that is uniquely conferred upon property in the District.

5.3 Benefit Finding

In summary, real property located within the boundaries of the District distinctly and directly benefits from closer proximity, access and views of improved parks, recreation facilities, open space, landscaped corridors, greenbelts, trail systems and other public resources funded by the assessments. The improvements are specifically designed to serve local properties in the District, not other properties or the public at large. The public at large and other properties outside the District receive only limited benefits from the improvements because they do not have proximity, good access or views of the improvements. These are special benefits to property in the District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

5.4 General Versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but

cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section. In other words:

Total Benefit	=	General Benefit	+	Special Benefit

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not "particular and distinct" and are not "over and above" benefits received by other properties. *SVTA* provides some clarification by indicating that general benefits provide "an indirect, derivative advantage" and are not necessarily proximate to the improvements.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements "over and above" this general, baseline level and the general benefits estimated in this section are over and above the baseline. A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to Real Property Outside the District	+	Benefit to Real Property Inside the District that is Indirect and Derivative	+	Benefit to the Public at Large

Special benefit, on the other hand, is defined in the California Constitution as "a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large." The *SVTA* decision indicates that a special benefit is conferred to a property if it "receives a direct advantage from the improvement (e.g., proximity to a park)." In this assessment, as noted, properties in the District have close and unique proximity, views and access to the improvements and uniquely improved desirability from the improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special and is only minimally received by property outside the District or the public at large.

5.5 Calculating General Benefit

Pursuant to information detailed in the Prior Engineer's Report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

BENEFIT TO PROPERTY OUTSIDE THE IMPROVEMENT DISTRICT

Properties within the District receive almost all of the benefits from the improvements because properties in the District enjoy unique close proximity and access to the improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the improvements, but outside of the boundaries of the District, may receive some benefit from the improvements. Since this benefit is conferred to properties outside the District boundaries, it contributes to the overall general benefit calculation and will not be funded by the assessments.

The properties outside the District and within the proximity radii for neighborhood parks in the District receive benefits from the improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are all on only one side of the improvements while properties in the District enjoy the advantage of over twice the average proximity to the improvements. Per the Prior Engineer's Report, the general benefit to property outside of the District is calculated as follows:

Assumptions:

5,190	parcels outside the District but within 0.5 miles of a park within the District
47,684	parcels in the District
50%	relative benefit compared to property within the District

Calculation of General Benefit to Property Outside the District

= 5,190 / (47,684 + 5,190) * 50% = **4.9%**

Although it can reasonably be argued that the improvements inside, but near the District boundaries are offset by similar park and recreational improvements provided outside, but near the District boundaries, we use the more conservative approach of finding that 4.9% of the improvements may be of general benefit to property outside the District.

BENEFIT TO PROPERTY INSIDE THE DISTRICT THAT IS INDIRECT AND DERIVATIVE

The "indirect and derivative" benefit to property within the District is particularly difficult to calculate. A solid argument can be presented that all benefit within the District is special, because the improvements are clearly "over and above" and "particular and distinct" when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the District. Nevertheless, the *SVTA* decision indicates that there may be general benefit "conferred on real property located in the district". A measure of the general benefits to property within the assessment area is the percentage of land area within the District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties used for regional purposes could provide indirect benefits to the public at large. Approximately 3% of the land area in the District is used for such regional purposes, so this is a measure of the general benefits to property within the District.

BENEFIT TO THE PUBLIC AT LARGE

The general benefit to the public at large can be estimated by the proportionate amount of time that the District's parks and recreational facilities are used and enjoyed by individuals who do not contribute to the assessment in any way (i.e. do not pay the assessment or local taxes or fees that support the City.[9] A

[9] *Per the formation engineer, when District facilities are used by those individuals, the facilities are not providing benefit to property within the City. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the City facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses City facilities but does not reside, work, shop or own property within the City boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.*

survey of park and recreation facility usage conducted by the formation engineer found that less than 8% of the City's park and recreation facility usage is by those who do not live or work within City boundaries. [10]

Several of the improvements such as the family aquatics center, amphitheater and sports complex are the type of public resources that draw residents from throughout the community. Therefore, they are deemed to be of benefit to all properties within the City. Due to their "draw" these types of facilities may also serve to bring in somewhat higher numbers of people who do not contribute to the assessment in any way. Of the proposed facilities, the Family Aquatics Center warrants further analysis to estimate potential resident/non-resident use. Resident/non-resident use statistics vary depending on the specifics of the community such as proximity to other communities and location of other similar aquatics centers. The City is largely separated by distance from other urbanized areas, which should serve to reduce the percentage of non-resident use. Data from other communities deemed to be similar in amenities and location finds that the percentage of non-resident use can vary from 15% up to approximately 50%. A non-resident use percentage of 50% will be used as a conservative estimate for this facility.

Although many of the non-resident users of the City's aquatics facility will shop or work in the community, this unadjusted data will be used as a conservative measure of general benefits. This measure of the general benefits from family aquatics facilities is combined with the findings of the park and recreation facility usage survey to conservatively estimate the overall level of general benefits. Using an equal weighting of both measures of general benefits, 29% of the benefits conferred by the proposed maintenance and improvements are determined to be general benefits to the public at large.

TOTAL GENERAL BENEFITS

Using a sum of these three measures of general benefit, the Prior Engineer's Report found that approximately 37% of the benefits conferred by the improvements may be general in nature and should be funded by sources other than the assessment.

General Benefit Calculation:

4.9%	Outside the District
+ 3.0%	Property within the District
+ 29.0%	Public at Large
= 36.9%	**Total General Benefit**

Although the analysis finds that 36.9% of the assessment may provide general benefits, the Prior Engineer's Report established a requirement for a minimum contribution from sources other than the assessments of 40%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other general benefits. The City's total budget for maintenance and operation of its parks and recreational facilities is $7,092,088.30. Of this total budget amount, the City will contribute at least $2,836,835.32(or 40%) from sources other than the assessments, to cover any general benefits that cannot be assessed to property owners in the District.

[10] *A total of 534 park users were surveyed at different parks and recreation facilities on different days and times between the months of July 2001 and March 2002. 41 respondents (7.7%) indicated that they did not reside or work within the City.*

5.6 Zones of Benefit

As detailed in the Prior Engineer's report, the boundaries of the District have been carefully drawn to include the properties in the City that are proximate to the proposed improvements and that would materially benefit from the improvements. In other words, the boundaries of the District have been narrowly drawn to include only properties that will specially benefit from the proposed improvements and would receive a declining level of service if the assessments were not approved.

The *SVTA* decision indicates:

> *In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not "particular and distinct" and are not "over and above" the benefits received by other properties "located in the district."*
>
> *We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).*

In the District, the advantage that each parcel receives from the improvements is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the assessment.

Due to their greater distance and reduced proximity from the improvements, one area of the City is deemed to receive lesser benefit from the improvements than other urbanized areas of the City. The area of reduced relative benefit is generally described as all parcels east of 90th Street East on the south and east of US Air Force Plant 42, and all parcels east of 50th Street East on the north and east of US Air Force Plant 42. This area is hereinafter referred to as Zone of Benefit B or Zone B and is depicted on the Assessment Diagram included with this report.

In Fiscal Year 2006/07 a new zone of benefit, Zone of Benefit C or Zone C, was created for parcels previously designated as being also within Zone B and located in the western areas of the District. Zone C covers all contiguous parcels within the boundaries of the City, generally west and south of the California Aqueduct, including all the parcels in Assessor's Parcel Books 3205, 3206, 3216 and 3217, within the boundaries of the City. The special benefit received by parcels in Zone C was revised as public parks and recreation facilities are installed, maintained and serviced by the District closer to property in Zone C, making the special benefit to be received in this area similar to that of areas in Zone A. As a result of the additional special benefits, an increased rate of assessment was proposed for parcels in Zone C, and after receiving the support of the property owners in Zone C, the increased assessment rate was first applied for Fiscal Year 2006/07.

All other properties within the District are classified into Zone of Benefit A or Zone A. All three Zones of Benefit, Zones A, B and C, are depicted on the Assessment Diagram included with this report and are listed on the Assessment Roll.

Zone A and Zone C improvements are similarly accessible to all properties within each Zone of Benefit. Therefore, benefits from the improvements do not further vary based on proximity of the parcels to the improvements within Zone A and Zone C because the increased benefits of greater proximity to the improvements are generally offset by a parallel increase in negative factors such as higher levels of traffic, noise, etc. that comes with increased proximity.

Since properties in Zone B (east) are generally twice the distance from the improvements funded by the assessments, it is estimated that the relative level of benefit to properties in Zone B is 50% the benefit received by properties in Zone A and Zone C. The proposed assessments for properties in Zone B will therefore be 50% of the amount of assessment for similar properties in Zone A and Zone C. The relative proximity to improvements is generally equivalent in Zone A and Zone C so the assessment rates for Zones A and C are equal.

5.7 Method of Assessment

As previously discussed, the assessments provide specific improvements that confer direct and tangible special benefits to properties in the District. These benefits can partially be measured by the occupants on property in the District because such parcel population density is a measure of the relative benefit a parcel receives from the improvements. Therefore, the apportionment of benefit is partially based the population density of parcels.[11]

It should be noted that many other types of "traditional" assessments also use parcel population densities to apportion the assessments. For example, the assessments for sewer systems, roads and water systems are typically allocated based on the population density of the parcels assessed. Moreover, assessments have a long history of use in California and are in large part based on the principle that benefits from a service or improvement funded by assessments that is enjoyed by tenants and other non-property owners ultimately is conferred directly to the underlying property. [12]

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this report, all properties are designated a SFE value, which is each property's relative benefit in relation

[11] *As detailed in the Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

[12] *For example, in Federal Construction Co. v. Ensign (1922) 59 Cal.App. 200 at 211, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: "Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city's sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense."*

to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent or one SFE.

In the process of determining the appropriate method of assessment, alternatives were considered. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because commercial, industrial, and other properties also receive direct benefits from the improvements.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from proximity and improved access to well maintained and improved parks and recreational facilities. So, the potential population of employees or residents is a measure of the special benefits received by the property. Larger parcels, therefore, receive an increased benefit from the improvements.

Finally, the special benefits derived from the improvements are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above and use and enjoy the City's park and recreational facilities. In other words, the benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is one indicator of the relative level of benefit received by a property.

In conclusion, the information from the Prior Engineer's Report determined that the appropriate method of assessment apportionment should be based on the type and use of property, the relative size of the property, its relative population and usage potential and its proximity to parks and recreational facilities. This method is further described below.

RESIDENTIAL PROPERTIES

Certain residential properties in the District that contain a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Traditional houses, zero-lot line houses and townhomes are included in this category of single family residential property.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property, the average number of people who reside in multi-family residential units versus the average number of people who reside in a single family home and the average size of multi-family residential units versus the average size of single family homes. The population density factors for the City, as depicted below, provide a partial basis for determining the SFE factors for residential properties. Using the total population in a certain property type in the City from the 1990 Census (the most recent data available when the District was established) and dividing it by the total number of such households, finds that approximately 3.32 persons occupy each single family residence, whereas an average of 2.69 persons

occupy each multi-family residence. Using the ratio of one Population Factor for each single-family residence, which equates to one Population Factor for every 3.32 persons, a 0.81 Population Factor would equate to one multi-family unit or a 0.81 Population Factor for every 2.69 residents. Likewise, each condominium unit receives a 0.81 Population Factor and each mobile home receives a 0.86 Population Factor.

Residential Density and Population Factors

	Total Population	Occupied Households	Persons per Household	Population Factor
Single Family Residential	49,488	14,905	3.32	1.00
Condominium	1,194	442	2.70	0.81
Multi-Family Residential	12,560	4,667	2.69	0.81
Mobile Home on Separate Lot	5,292	1,854	2.85	0.86

Source: 1990 Census, City of Palmdale.

Once established, Population Factors are adjusted to reflect the average structure size of different residential properties. This adjustment is needed because the special benefits are deemed to be relative to the potential population density and building area per dwelling unit. The average structure size of a single family residence in the City is 1,715 square feet, whereas the average multi-family residence is 920 square feet per unit, or 54% of the size of a single family residence. Likewise, the average condominium unit is 73% of the size of a single family residence and the average mobile home is 50% of the size of a single family residence. These building area percentages are applied to the Population Factors to determine the SFE benefit factors for residential properties. Therefore, multi-family properties with a 0.81 Population Factor and a 54% building area percentage will receive a 0.43 SFE.[13] Likewise, condominium units receive a 0.59 SFE and mobile homes on separate parcels receive a 0.43 SFE.

Residential Assessment Benefit Factors

	Average Square Feet	% of SFR	Population Factor	SFE Factor
Single Family Residential	1,715	100%	1.00	1.00
Condominium	1,250	73%	0.81	0.59
Multi-Family Residential	920	54%	0.81	0.43
Mobile Home on Separate Lot	855	50%	0.86	0.43

The SFE factor of 0.43 per dwelling unit for multi-family residential properties applies to such properties with 20 or fewer units. Properties in excess of 20 units typically offer on-site recreational amenities and other facilities that tend to offset some of the benefits provided by the improvements. Therefore, the benefit for properties in excess of 20 units is determined to be 0.43 SFE per unit for the first 20 units and 0.10 SFE per each additional unit in excess of 20 dwelling units.

[13] *(0.81 * 54% = 0.43)*

COMMERCIAL/INDUSTRIAL PROPERTIES

SFE values for commercial and industrial land uses are based on the equivalence of special benefit on a land area basis between single family residential property and the average commercial/industrial property. The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously can be measured by the average number of people who work at commercial/industrial properties. In order to determine employee density factors, the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") are used because these findings were approved by the State Legislature as being a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24.

In comparison, the average number of people residing in a single family home in the area is 3.32. Since the average lot size for a single family home in the City is approximately 0.20 acres, the average number of residents per acre of residential property is 16.60.

The employee density per acre is generally 1.45 times the population density of single family residential property per acre (24 employees per acre / 16.60 residents per acre). Therefore, the average employee density can be used as the basis for allocating benefit to commercial or industrial property since a commercial/industrial property with 1.45 employees receives generally similar special benefit to a residential property with 1 resident. This factor of equivalence of benefit between 1 resident to 1.45 employees is the basis for allocating commercial/industrial benefit.

The table below shows the average employees per acre of land area or portion thereof for commercial and industrial properties and lists the relative SFE factors per fifth of an acre for properties in each land use category.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per fifth of an acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres. Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.

Commercial/Industrial Density and Assessment Factors

Type of Commercial/Industrial Land Use	Average Employees per Acre [1]	SFE Units per 1/5 Acre [2]
Commercial	24	1.00
Office	68	2.84
Shopping Center	24	1.00
Industrial	24	1.00
Self Storage or Parking Lot	1	0.05

(1) Source: San Diego Association of Governments Traffic Generators Study.
(2) The SFE factors for commercial and industrial parcels are applied by the fifth of an acre of land area or portion thereof. Therefore, the minimum assessment for any assessable parcel in these categories is the SFR units listed herein.

VACANT PROPERTIES

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the lack of improvements on the property. A measure of the benefits accruing to the underlying land is the average value of land in relation to improvements for developed property. An analysis of the Fiscal Year 2002/03 assessed valuation data for the City from the County of Los Angeles, found that approximately 35% of the assessed value of improved properties is classified as the land value. It is reasonable to assume, therefore, that approximately 35% of the benefits are related to the underlying land and 65% are related to the improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant parcels is 0.35 per parcel.

The value of properties increases as properties are approved for parcel division and development. Likewise, the special benefits received by vacant property increases as the property is approved for parcel division and development. When property is approved for parcel division and development with a final map, the property has passed the final significant hurdle to development and can shortly undergo construction. Since the property is nearing the point of development, its special benefits increase. In addition, these properties are generally sold soon after completion of improvements, so the properties receive the additional benefit of desirability from prospective buyers due to the special benefits provided by proximity to the improvements in the City. It is therefore determined that property with tentative or final map approval receives 25% of the relative benefit per mapped dwelling unit or mapped parcel acreage compared to improved property of similar use-type.

OTHER PROPERTIES

Article XIII D stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the improvements.

All properties that are specially benefited are assessed. Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small and other parcels such as roads, right-of-way parcels, reservoir or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, watershed parcels and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive minimal benefit from the improvements and are assessed an SFE benefit factor of 0.

As detailed by the formation engineer, church parcels and property used for educational purposes typically generate employees on a less consistent basis than other non-residential parcels. Many of these parcels also provide some degree of on-site amenities that serve to offset some of the benefits from the District. In addition, the City maintains reciprocal use arrangements with many educational properties that allow for the public, recreational use of these properties. Such public use tends to reduce the use and wear of City facilities. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 1.[14]

[14] *As detailed in the Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2002/03 dated April 2002.*

5.8 Cost of Living Inflator

Property owners in the District approved in an assessment ballot proceeding in 2002 the initial fiscal year benefit assessment for special benefits to their property including a Consumer Price Index ("CPI") increase schedule. As a result, the assessment may continue to be levied annually and may be increased up to the maximum annual CPI without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

The assessment rate is subject to an annual increase tied to the annual change in the Consumer Price Index for the Los Angeles Area as of January of each succeeding year, with the maximum annual increase not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied, increased annually by the maximum of: 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The annual percentage change in the CPI from January 2024 to January 2025 was 3.327%, and there was 6.80% of the Unused CPI carried over (as described above). Therefore, the cost of living inflator for Fiscal Year 2025/26 is 3%.

5.9 Fiscal Year 2025/26 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2025/26 is increased by 3% which equates to $63.61 per SFE for Zones A and C, and $31.80 per SFE for Zone B. The District's budget, provided in the Estimate of Costs section of this Engineer's Report, proposes assessments for Fiscal Year 2025/26 at the rate of $63.61 per SFE for Zones A and C and $31.80 for Zone B, which is equal to the maximum authorized assessment rate.

5.10 Duration of Assessment

It is proposed that the assessment be levied for Fiscal Year 2004/05 and continued every year thereafter, so long as the parks and recreational areas need to be improved and maintained and the City requires funding from the assessments for District improvements. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

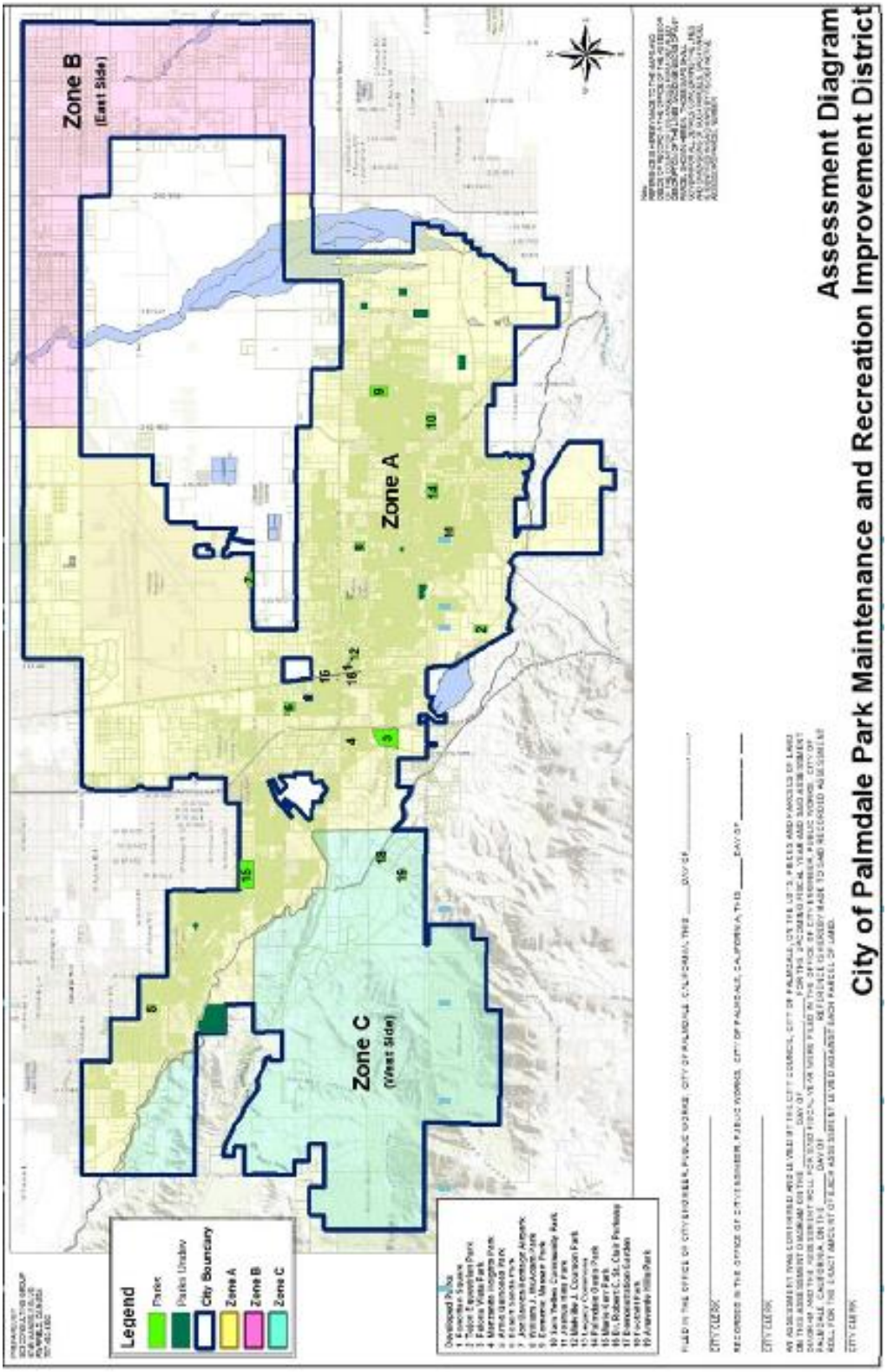
5.11 Appeals and Public Hearing

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of

Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The District includes all properties within the boundaries of the City. The boundaries of the District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.


Assessment Diagram
City of Palmdale Park Maintenance and Recreation Improvement District
Zone B
(East Side)
Zone A
Zone C
(West Side)
Legend
Parks
Parks Under
City Boundary
Zone A
Zone B
Zone C

7. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2025/26, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2025/26 assessment for the District.

Zone of Benefit	Parcels [(1)]	SFE Units	FY 2025/26 Rate Per SFE	FY 2025/26 Assessment Amount
Zone A	43,030	49,299.14	$63.61	$3,135,891.33
Zone B	360	132.59	31.80	4,216.36
Zone C	2,238	1,970.41	63.61	125,336.49
Totals:	**45,628**	**51,402.14**		**$3,265,444.18**

(1) Includes only parcels levied.

CITY OF PALMDALE

Fiscal Year 2025/26 Engineer's Report For:

Streetlight Maintenance Assessment Districts and Annexations

May 2025

Prepared by:

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helping communities fund tomorrow

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TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Assessment District Inventory 2

2.3 Annexation Exceptions and Other District Information 3

2.4 Process for Annual Assessment 4

2.5 Legislative Context 5

3. Plans and Specifications 7

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Special Benefit 11

5.2 General Versus Special Benefit 12

5.3 Quantification of General Benefit 13

5.4 Method of Assessment 14

5.5 Assessment District No. 5 Benefit Factors 17

5.6 Cost of Living Inflator 19

5.7 Fiscal Year 2025/26 Maximum Assessment 20

5.8 Duration of Assessment 20

5.9 Appeals and Interpretation 20

6. Assessment Diagram 21

7. Streetlight Maintenance Districts 22

8. Assessment Roll 27

1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Annual Engineer's Report for the Streetlight Maintenance Assessment Districts and Annexations (the "Districts") for Fiscal Year 2025/26, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2025/26, the diagram for the Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Districts in proportion to the special benefit received.

District[(1)]	Parcels[(2)]	EDUs[(3)]	Proposed FY 2025/26 Assessment Amount[(4)]
District No. 1 and No. 4	6,711	10,101.536	$1,325,529.30
District No. 2	1,419	1,480.918	191,822.12
District No. 3	32	32.000	54,195.84
District No. 5	31,611	34,954.000	3,453,455.20
Totals:	**39,773**	**46,568.454**	**$5,025,002.46**

(1) Includes District and Annexations. District No. 1 and No. 4 are combined for County tax roll purposes.
(2) Includes only parcels levied.
(3) Equivalent Dwelling Unit.
(4) A list of the Districts and Annexations containing the total proposed Fiscal Year 2025/26 assessments, the number of parcels assessed and assessment rate are detailed in Section 8 of this Engineer's Report.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

John G. Egan

John G. Egan, P. E.
Assessment Engineer



2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned streetlights throughout the City. In order to fund the maintenance and operation (the "Services") of these projects and improvements, the City has formed five Streetlight Maintenance Assessment Districts, including subsequent Annexations, covering over 40,880 parcels (which includes parcels that are active, but not yet subject to the assessment). The Districts have been formed and the levies have been made pursuant to Part 2 of Division 15 of the California Streets and Highways Code, commonly known as the Landscape and Lighting Act of 1972, and Article XIII D of the California Constitution (the "Article XIII D").

2.2 Assessment District Inventory

Currently, there are five Streetlight Maintenance Assessment Districts with 172 Annexation Districts overall, although some Annexations are not assessed (see the following section for annexation exceptions):

District No. 1 consists of residential and non-residential developments located throughout the City and that are not included within a Los Angeles County Lighting Maintenance District. District No. 1 has 144 individual annexations encompassing approximately 6,840 parcels.

District No. 2 includes the Anaverde Master Planned Community. District No. 2 includes two annexations and approximately 1,460 parcels.

District No. 3 includes the Ritter Ranch Master Planned Community. The number of parcels at build out is expected to be approximately 6,500 parcels, although this number will likely be subject to revision once development resumes in this area.

District No. 4, similar to District No. 1, consists of residential and non-residential developments located throughout the City, that are not included within a Los Angeles County Lighting Maintenance District, and that were annexed on or after 2010. District No. 4 has 24 individual annexations including approximately 70 parcels.

District No. 5 also consists of residential and non-residential developments located throughout the City. The designation of "District No. 5" was used for the first time in Fiscal Year 2014/15 to identify the approximately 32,900 parcels within the City that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616 (CLMD 1616). LA County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/14. Starting Fiscal Year 2014/15 the City took over these functions from the County.

The designation of the existing Districts is as follows:

District No. 1, located throughout the City includes Annexation Nos. 001; 003 through 007; 009; 011; 013 through 080; 082 through 092; 095 through 097; 099 through 111; 113 through 117; 119 through 132; 134 through 137; 139 through 141, 144 through 152, 154, 186, and 203.

District No. 2, located in the Anaverde Master Planned Community consists of two districts, 800 and 801. Starting in Fiscal Year 2012/13 the numbers assigned to the districts in Anaverde will be in the 800 series.

District No. 3, located in the Master Planned Community of Ritter Ranch consists of one district. Starting in Fiscal Year 2012/13 the numbers assigned to the districts in Ritter Ranch will be in the 900 series.

District No. 4, located throughout the City includes Annexation Nos. 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 172, 173, 174, 175, 178, 180, 184 and 193.

District No. 5, located throughout the City and includes only one district, No. 91616.

For a detailed description of the above-mentioned Districts and Annexations, see Section 7 of this Engineer's Report.

2.3 Annexation Exceptions and Other District Information

Per City Policy, the projects within the Districts and Annexations that have been issued construction permits and have begun construction will be assessed.

Annexation Nos. 002, 008, 010, and 012 have overlapping LA County lighting districts and are not assessed by the City.

Annexation Nos. 058, 077, 116, 119, 124, 130, 131, 132, 145, 147, 148, 150 and 151 will not be assessed for Fiscal Year 2010/11 and future years.

Annexation Nos. 146, 149 and 152 were assessed for the first time in Fiscal Year 2009/10.

Annexation Nos. 154 and 155 were assessed for the first time in Fiscal Year 2010/11.

Annexation No. 156 was assessed for the first time in Fiscal Year 2011/12.

Annexation Nos. 801 was assessed for the first time in Fiscal Year 2012/13.

Annexation Nos. 161 and 163 were assessed for the first time in Fiscal Year 2013/14.

Annexation Nos. 162 and 166 were assessed for the first time in Fiscal Year 2014/15.

Annexation Nos. 159, 164, and 167 were assessed for the first time in Fiscal Year 2015/16.

Annexation Nos. 144, 173 and 175 were assessed for the first time in Fiscal Year 2019/20.

Annexation Nos. 180 and 184 were be assessed for the first time in Fiscal Year 2020/21.

Annexation Nos. 070, 072, 121, 128, 139, 157, 158, 160, 165, and 169 will not be assessed until development starts.

Annexation Nos. 168 and 193 were assessed for the first time in Fiscal Year 2021/22.

Annexation Nos. 091, 095, 111, 129, 186 were assessed for the first time in Fiscal Year 2022/23.

Annexation 060 has been dissolved as of April 6, 2016. The homeowner's association will undertake the maintenance of all improvements and services beginning Fiscal Year 2016/17.

2.4 Process for Annual Assessment

In each subsequent year for which the assessment will be continued and as required by the procedures specified in the 1972 Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicates the general location of the assessment district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.5 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[1]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[2] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[3] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[4] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real

[1] *California Constitution Article XIII D Section 4.*
[2] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[3] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[4] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[5], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[6] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[5] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[6] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

1. The installation, maintenance, and servicing of local streetlight and traffic signal structures in close proximity, within approximately 90 feet, to certain lots and parcels which provide a direct special benefit to such lots or parcels.
2. The installation, maintenance, and servicing of peripheral streetlight and traffic signal structures which provide a special benefit to all the assessable parcels within the Districts and Annexations whether or not such parcels are in close proximity to such lighting.
3. The installation or construction of public lighting facilities, or the acquisition of any existing improvements.

Plans and Specifications for the improvements for the Districts are voluminous and are not bound in this Engineer's Report but by this reference are incorporated and made a part of this report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.

Article XIII D of the California Constitution defines "maintenance and servicing expenses" as, "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement". The improvement funding includes, but is not limited to, the removal, repair, replacement or relocation of light standards, poles, bulbs, fixtures and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and servicing of the local and peripheral lighting and traffic signal improvements benefiting the parcels within the Districts.

The improvements to be maintained and serviced within the Districts are to be part of the local and peripheral streetlight and traffic signal system of the City that confers special benefit to the Districts' parcels. The specific location of both local and peripheral streetlight and traffic signal improvements within the City can be found on the Streetlight Inventory Maps maintained by the City and on file in the office of the Director of Public Works where they are available for inspection. The City also maintains a lamp location list that is a tabulated listing of every street in the Districts by alphabetical order. Included in the items listed for each lamp are the exact location by street address number and lamp size.

Also included within the City streetlight system are traffic signals and highway safety lights (lights mounted on traffic signal poles). Traffic signal improvements may include both local and peripheral traffic signals. Local traffic signals are signals or portions thereof installed within the Districts. Peripheral traffic signals are portions of traffic signals installed outside of the Districts.

The improvements to be maintained and serviced within the Districts include Southern California Edison-owned streetlights within the right of way of the local public streets located within the boundaries of the Districts. These lights are all within close proximity to the parcels within the Districts and have been

identified as receiving local lighting benefit in the Method of Assessment, and as such, provide special benefit to these parcels.

Peripheral streetlight improvements are located outside of the Districts; however, they do benefit parcels within the Districts to some degree.

Specifications for streetlights, traffic signals, and their installation within the Districts are included within a previously executed contract by and between the City and Southern California Edison, a copy of which is available in the Engineering Services Division of the Public Works Department.

The local lighting and peripheral lighting costs assessed in the existing Los Angeles County Streetlight District are not assessed as a part of the Districts identified in this Engineer's Report. Only costs outside the existing Los Angeles County Streetlight District boundaries will be assessed as a part of the Districts.

All streetlight maintenance will be performed by Southern California Edison.[7]

[7] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2025/26 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below. The full itemized budget for the Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for the Districts.

Streetlight Maintenance Assessment Districts and Annexations Budget Budget Summary, Fiscal Year 2025/26	
Description	**Proposed FY 2025/26 Costs**
Streetlight Maintenance District No. 1 and No. 4	
Direct Maintenance Costs	$620,700
Utility Costs	409,050
Other Costs	245,280
Contribution To/From Reserves	50,499
Fiscal Year 2025/26 Amount to be Assessed	**$1,325,529**
Streetlight Maintenance District No. 2	
Direct Maintenance Costs	$78,620
Utility Costs	92,400
Other Costs	55,750
Contribution To/From Reserves	(34,948)
Fiscal Year 2025/26 Amount to be Assessed	**$191,822**
Streetlight Maintenance District No. 3	
Direct Maintenance Costs	$77,690
Utility Costs	0
Other Costs	38,490
Contribution To/From Reserves	(61,984)
Fiscal Year 2025/26 Amount to be Assessed	**$54,196**
Streetlight Maintenance District No. 5	
Direct Maintenance Costs	$2,022,550
Utility Costs	1,632,000
Other Costs	883,300
Contribution To/From Reserves	(1,084,395)
Fiscal Year 2025/26 Amount to be Assessed	**$3,453,455**
Total Fiscal Year 2025/26 Amount to be Assessed – All Districts	**$5,025,002**

A listing of the Districts containing the total Fiscal Year 2025/26 assessments, number of parcels to be assessed parcels, and the assessment rate per EDU is included in Section 8 of this Engineer's Report.

The following cost descriptions apply to the budget:

DIRECT COSTS

Maintenance Costs/Edison Costs. Labor, Material, and Equipment - Includes all labor, material, and equipment including electricity required to properly maintain and service the streetlight structures and appurtenant facilities within each District. All improvements within the Districts will be maintained and serviced on a regular basis.

Renovation. Repairs that are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism and traffic accidents. Planned upgrades of the improvements that provide a direct benefit to the Districts may also be included in renovation costs. [8]

UTILITY COSTS

Electricity. The furnishing of electricity required for the operation of the street lighting, applicable to service for the lighting of streets and highways of the lighting equipment and associated facilities.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for Southern California Edison maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals to provide any additional administrative or engineering services specific to the annexation such as the cost to prepare and mail notices of the public meeting and hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

[8] *Costs descriptions as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and language from the prior year Engineer's Report[9] has been referenced to describe the Method of Apportionment within the following section of this report.***[10]

The Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report and the parcels identified by the Assessor Parcel Numbers listed with the included levy roll. The parcel list includes all privately and publicly owned parcels with the boundaries. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Districts over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to parcels within each District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcel is more fully described as follows:

> *In the Districts, the streetlight and traffic signal improvements are installed by the developers/owners, subdividers of the land. The continued maintenance is guaranteed through the inclusion of the land into a streetlight maintenance district. If the installation of the improvements and the guaranteed maintenance did not occur, the individual lots would not have originated and could not have been sold to any distinct and separate owner. The origination of each distinct and separate lot is a special benefit, which permits the construction of a building or structure on the property and the ownership and sale of the distinct lot in perpetuity.*
>
> *All the lots are established at the same time once the conditions regarding the improvements and the continued maintenance are met. As a result, each lot within the Districts receives a special and distinct benefit from the improvements and to the same degree.*
>
> *Over time, the improvements continue to confer a particular and distinct special benefit upon parcels within the Districts because of the nature of the improvements. The proper maintenance of the streetlights and appurtenant facilities reduces property-related*

[9] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[10] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

crimes, especially vandalism, against properties in the Districts. All of the above-mentioned items also contribute to a specific enhancement to each of the parcels within the Districts.

The *SVTA* decision clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits.

In addition to the special benefits described above (i.e., the origination of each parcel and reduction of crime) the proximate streetlights clearly make each parcel safer, more visible, more accessible, more useful, more valuable and more desirable; and this further strengthens the basis of these assessments.[11]

5.2 General Versus Special Benefit

General benefit is an overall and similar benefit to the public at large resulting from the improvements to be maintained by the assessments levied. Specific language describing the relationship and proportion of Special Benefit versus General Benefit from the Prior Engineer's Report has been included below:

The proceeds from the Districts are used to fund increased levels of maintenance to the Districts' improvements that serve and benefit the properties in the Districts. In the absence of the Districts, such improvements would not be properly maintained. Therefore, the Districts' purpose is to ensure that the necessary and beneficial public facilities for property in the Districts are properly maintained and repaired over time. The assessments will ensure that street lighting and associated improvements within and adjacent to the Districts are functional, well maintained and safe. These public resources directly benefit the property in the Districts and will confer distinct and special benefits to the properties within the Districts. Moreover, the absence of the improvements, a condition of development would not be met and future construction in the Districts could be denied. The creation of individual lots, if any, and the approval for construction in the Districts, is the overriding clear and distinct special benefit conferred exclusively on property in the Districts and not enjoyed by other properties outside the Districts. Therefore, the improvements provide special benefit to property in the Districts over and above the general benefits conferred to the public at large or properties outside the Districts.

Although the improvements maintained by the services may be available to the general public at large, the improvements and services are specifically designed, located and created to provide additional and improved resources for property inside the Districts, and not the public at large. Other properties that are outside the Districts do not enjoy the unique proximity and other special benefit factors described previously. These improvements and services are of special benefit to properties located within the Districts because they provide a direct advantage to properties in the Districts that would not be provided in the absence of the improvements. Any general benefits to surrounding properties outside of the Districts, if any there were, are collateral and conferred concomitantly. [12]

[11] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020*

[12] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.3 Quantification of General Benefit

Although the Prior Engineer's Report analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the Districts.

STEP 1 – CALCULATION OF GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit[(1)]

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Improved safety and security lighting for property	5	25%	1.25
Improved ingress and egress to property for vehicular traffic and pedestrians	5	25%	1.25
Creation of individual lots for development or approval of building improvements	90	0%	0
	100		2.5
	Total Calculated General Benefit =		**2.5%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 2.5% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the improvements and services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, the overall general benefit contribution is the sum of the following components:

The City owns and maintains local public streets along the border of the Districts' improvements. These public streets provide access to the improvements as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this "annuity" can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 2.5% which is more than offset by the total non-assessment contribution towards general benefit of 26%.

5.4 Method of Assessment

The development of an assessment methodology requires apportioning benefit based upon the relative special benefit for each property. The precise language from the Prior Engineer's Report has been provided below:

> *The Districts' assessments are based on land use so that property owners are assessed in proportion to the benefits received. The land uses defined below are descriptive of all parcels in existence within Districts in Fiscal Year 2009/10. In the event there is a question regarding the land use designation of any parcel in the Districts, the Department of Public Works will be responsible for administratively assigning one of the land uses listed below.*

Land Use Definitions

Land Use Code	***Land Use Description***
RES	*Single family residential parcels that benefit from local lighting*
RES-X	*Single family residential parcels that do not benefit from local lighting*
CONDO	*Condominium or town home parcels that benefit from local lighting*
APT	*Multiple family residential parcels that benefit from local lighting*
APT-X	*Multiple family residential parcels that do not benefit from local lighting*
MH	*Mobile homes that benefit from local lighting*
MH-X	*Mobile homes that do not benefit from local lighting*
NONRES	*Non-residential parcels that benefit from local lighting*
NONRES-X	*Non-residential parcels that do not benefit from local lighting*
VACANT	*Parcels without a building or similar structure that benefit from local lighting*
VACANT-X	*Parcels without a building or similar structure that do not benefit from local lighting*
EXEMPT	*Parcels exempt by law from the assessment, or those parcels that do not benefit for the Districts and Annexations*

Properties that do not benefit from local streetlights are designated with an "X" in the Land Use Code, and are not assessed for local lighting, but are assessed for their share of the costs for peripheral lighting and engineering and incidentals.

Local Lighting Apportionment. *The special benefit from the maintenance, operation, and servicing of local streetlights within the Districts only accrues to those parcels within the Districts located in areas where such lighting is provided. Therefore, parcels outside the Districts and/or without local streetlights are not assessed for the cost of providing such maintenance. Generally, a parcel is determined to have local lighting provided if a streetlight is within approximately 90 feet of the parcel. However, parcels within the Districts, regardless of location, are considered to benefit from such improvements installed within the Districts.*

Regarding local lighting, there exists the core benefit of available lighting for every parcel in the Districts near a streetlight. This "Availability" benefit is apportioned to parcels in the Districts on a per parcel basis. In addition to this benefit, parcels in the Districts benefit from improved safety related to the parcel itself ("Safety to Property").

Safety to Property. *The Safety to Property benefit results in a special benefit to both residential and vacant non-developable parcels because local lighting maintenance, operation, and servicing provides for the protection of buildings and personal property against crime such as theft and vandalism. The Safety to Property benefit is apportioned to properties in the Districts based on relative property size as available from the City of Palmdale Planning Department.*

Local Traffic Signal Apportionment*. The special benefit from the maintenance, operation, and servicing of local traffic signals, including highway safety lights mounted on the traffic signals within the Districts is similar to the streetlights. However, traffic signals are typically installed outside of the development and therefore benefit the general public.*

Traffic signals are installed as a result of the increased traffic generated by the development. There is no safety to property benefit as a result of the traffic signals. Therefore, the determination of benefit for traffic signals will use the same table as streetlights without the safety to property component.

The following Table - Local Lighting Benefit Factors shows the breakdown of the benefit points assigned to each land use for those properties located in District Nos. 1 through 4.

Local Lighting Benefit Factors

Land Use Description	*Safety Benefit*	*Availability Benefit*	*Total Equivalent Dwelling Units (EDUs)*
Single Family Residential (SFR)	*0.75/unit*	*0.25/parcel*	*1.00 EDU/parcel*
Condominium	*0.55/unit*	*0.25/parcel*	*0.80 EDU/parcel*
Multi-family up to 20 units	*0.54/unit*	*0.25/parcel*	*0.54 EDU/unit + 0.25 EDU/parcel*
Multi-family more than 20 units	*0.45/unit + 1.80/parcel*	*0.25/parcel*	*0.45 EDU/unit + 2.05 EDU/parcel*
Mobile Home up to 20 units	*0.33/unit*	*0.25/parcel*	*0.33 EDU/unit + 0.25 EDU/parcel*
Mobile Home more than 20 units	*0.20/unit + 2.60/parcel*	*0.25/parcel*	*0.20 EDU/unit + 2.85 EDU/parcel*
Nonresidential	*2.50/acre*	*1.50/acre*	*4.00 EDU/net acre*
Vacant	*0.25/parcel*	*0.25/parcel*	*0.50 EDU/parcel*

An EDU (Equivalent Dwelling Unit) is used as a way to relate dissimilar land uses such as commercial and residential. As an example, one acre of commercial is approximately equal to 4 residential parcels.

Peripheral Streetlights/Traffic Signals Apportionment. *All parcels in the Districts receive a special benefit from the installation, maintenance, operation, and servicing of safety lighting and streetlights, and traffic signals on peripheral streets located outside of the Districts. The peripheral lighting, traffic signals, safety lighting and capital improvements (Arterial Lighting) are provided throughout the City and all properties in the Districts may easily access these improvements. In contrast to the Local Lighting, Peripheral Lighting benefits properties primarily because the properties are provided safe peripheral street access. Therefore, Peripheral Lighting benefits will be apportioned to parcels in the Districts on a per unit basis taking into account demographic population information.*

Vacant properties, which have no people residing on the property, also benefit from Peripheral Lighting because of the convenience associated with emergency vehicle access and other traffic that must use the arterial streets to service the vacant properties in the Districts. Therefore, vacant parcels are assigned a per parcel benefit point. Vacant parcels are assigned benefit points based on the core benefit attributable to every assessable parcel in the Districts from Peripheral Lighting of 0.25 benefit points per parcel.

The following Table - Peripheral Lighting Benefit Factors shows the breakdown of the benefit points assigned to each land use for all assessable property in the Districts.

Peripheral Lighting Benefit Factors

Land Use Description	***Total Benefit Points***
Single Family Residential (SFR)	*1.00 EDU/parcel*
Condominium	*0.85 EDU/parcel*
Multiple Family	*0.95 EDU/parcel*
Mobile Home	*0.40 EDU/unit*
Nonresidential	*1.00 EDU/7,200 square feet (parcel size)*
Vacant	*0.25 EDU/parcel*

The following Table – Local Traffic Signal Benefit Factors shows the breakdown of the benefit points assigned to each land use for all assessable property in the Districts.

Local Traffic Signal Benefit Factors

Land Use Description	***Total Benefit Points***
Single Family Residential (SFR)	*0.75 EDU/parcel*
Condominium	*0.68 EDU/parcel*
Multiple Family	*0.45 EDU/parcel + 0.25 per parcel*
Mobile Home	*0.20 EDU/unit + 0.25 per parcel*
Nonresidential	*2.50 EDU/acre*
Vacant	*0.25 EDU/parcel*

Peripheral streetlights and traffic signals will remain peripheral until such time as they fall within the Districts. At such time, the streetlight or traffic signal will be removed from the peripheral inventory and placed within the Districts local lighting inventory. The total assessment for a parcel is thus a combination of the local lighting, traffic signals, and peripheral lighting benefit factors. Each element (local streetlights, local traffic signals, and peripheral improvements) will be determined individually.

Local Streetlights. *Assessments for local street lighting will be determined using factors from the Table - Local Lighting Benefit Factors and the current EDU assessment rate to maintain local streetlights within each individual District.*

Peripheral Improvements. *Assessments for peripheral improvements will be determined using factors from the Table - Peripheral Lighting Benefit Factors and the current EDU assessment rate to maintain these peripheral improvements throughout the Districts.*

Local Traffic Signals. *Assessments for local traffic signals will be determined using factors from the Table - Local Traffic Signal Benefit Factors and the current EDU assessment rate to maintain traffic signals within each individual District.*

5.5 Assessment District No. 5 Benefit Factors

Starting with Fiscal Year 2014/15, the City took over the administration of the streetlight assessments and the maintenance of the streetlight improvements within Streetlight Assessment District No. 5 consisting of approximately 32,800 parcels of residential and non-residential developments located throughout the City that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616 (CLMD 1616). Los Angeles County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/14.

District No. 5 was formed to provide for the financing of streets lights within District No. 5 boundaries after receiving approval by property owners in 2003. District No. 5 method of assessment assigns benefit units according to the Los Angeles County land use codes, as shown in the following table.

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
01XX	SINGLE RESIDENCE	1.00
02XX	DOUBLE, DUPLEX, OR TWO UNITS	2.00
03XX	THREE UNIT SINGLE RESIDENCES	2.50
04XX	FOUR UNIT SINGLE RESIDENCE	3.50
05XX	FIVE UNITS OR MORE SINGLE RESIDENCES	4.00
06XX	MODULAR HOMES	1.00
07XX	MOBILE HOMES	1.00
08XX	ROOMING HOUSES	4.50
09XX	MOBILE HOME PARKS	8.00
10XX	COMMERCIAL	0.00
11XX	STORES	4.00
12XX	STORE AND OFFICE COMBINATIONS	4.00
13XX	DEPARTMENT STORES	8.00
14XX	SUPERMARKETS	8.00
15XX	SHOPPING CENTERS (NEIGHBORHOOD, COMMUNITY)	6.50
16XX	SHOPPING CENTERS (REGIONAL)	6.50
17XX	OFFICE BUILDINGS	3.00
18XX	HOTEL AND MOTELS	8.00

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
19XX	PROFESSIONAL BUILDINGS	3.00
20XX	COMMERCIAL	0.00
21XX	RESTAURANTS, COCKTAIL LOUNGES, TAVERNS	5.00
22XX	WHOLESALE AND MANUFACTURING OUTLETS	6.50
23XX	BANKS, SAVINGS AND LOANS	3.00
24XX	SERVICE SHOPS (ELECTRIC REPAIR, PAINT SHOP, LAUNDRY)	3.00
25XX	SERVICE STATIONS - FULL SERVICE	4.00
26XX	AUTO SERVICE SHOPS (BODY & FENDER COMMERCIAL GARAGE)	6.00
27XX	PATRON OR EMPLOYEE PARKING LOTS (COMMERCIAL USE PROPERTIES)	2.50
28XX	ANIMAL KENNELS	2.00
29XX	NURSERIES OR GREENHOUSES	2.00
30XX	INDUSTRIAL	0.00
31XX	LIGHT MANUFACTURING PLANTS/SHOPS	5.00
32XX	HEAVY MANUFACTURING PLANTS	6.50
33XX	WAREHOUSING, DISTRIBUTION, STORAGE (UNDER 10,000 SQ FT)	5.00
34XX	FOOD PROCESSING PLANTS	5.00
35XX	MOTION PICTURE, RADIO, AND TELEVISION INDUSTRIES	6.50
36XX	LUMBER YARDS	3.00
37XX	MINERAL PROCESSING PLANTS	5.50
38XX	PARKING LOTS (INDUSTRIAL USE PROPERTIES)	2.00
39XX	OPEN STORAGE	5.50
40XX	IRRIGATED FARMS	0.00
41XX	IRRIGATED FRUITS AND NUTS ORCHARDS	1.00
42XX	IRRIGATED VINEYARDS	1.00
43XX	IRRIGATED VINE AND BUSH FRUIT FARMS	1.00
44XX	IRRIGATED TRUCK CROPS	1.00
45XX	IRRIGATED FIELD CROPS	1.00
46XX	IRRIGATED PASTURE	1.00
47XX	IRRIGATED DAIRY FARM	1.00
48XX	POULTRY FARMS	1.00
49XX	FEED LOTS	1.00
50XX	DRY FARMS	0.00
51XX	DRY FRUITS AND NUTS ORCHARDS	1.00
52XX	DRY VINEYARDS	1.00
53XX	DRY FIELD CROPS	1.00
54XX	DRY PASTURE	1.00
55XX	DRY TIMBERLANDS - PINE	1.00
56XX	DRY TIMBERLANDS - FIR	1.00
57XX	DRY TIMBERLANDS - REDWOOD	1.00
58XX	DESERT LANDS	1.00
59XX	WASTE LANDS	1.00
60XX	RECREATIONAL	0.00
61XX	INDOOR MOVIE THEATRES	5.00
62XX	WATER RECREATION	0.00
63XX	BOWLING ALLEYS	8.00
64XX	CLUBS, LODGES, FRATERNAL ORGANIZATIONS	4.00
65XX	ATHLETIC AND AMUSEMENT FACILITIES	6.50
66XX	GOLF COURSES	3.00
67XX	RACE TRACKS	3.00
68XX	CAMPS	3.00
69XX	ICE SKATING RINK	8.00
70XX	INSTITUTIONAL	0.00
71XX	CHURCHES	2.00
72XX	SCHOOLS (PRIVATE)	2.00
73XX	COLLEGES, UNIVERSITIES (PRIVATE)	6.50

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
74XX	HOSPITALS	6.50
75XX	HOMES FOR AGED AND OTHERS	3.00
76XX	SENIOR DAY CAE	0.00
77XX	CEMETERIES, MAUSOLEUMS, MORTUARIES	1.00
78XX	INSTITUTIONAL – OPEN	0.00
79XX	INSTITUTIONAL – OPEN	0.00
80XX	MISCELLANEOUS	0.00
81XX	COMMERCIAL & MUTUAL UTILITY: PUMPING PLANTS, STATE ASSESSED	2.00
82XX	MINING	0.00
83XX	PETROLEUM AND GAS	2.00
84XX	PIPELINES AND CANALS	0.00
85XX	RIGHTS-OF-WAY	0.00
86XX	WATER RIGHTS	0.00
87XX	RIVERS AND LAKES	0.00
88XX	GOVT OWNED PROPERTY - OPEN	0.00
89XX	DUMP SITES	1.00

5.6 Cost of Living Inflator

Annually, the amount of assessments for the Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for Los Angeles-Long Beach-Anaheim Area ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Assessment Engineer shall compute the percentage difference between the CPI for February of the current year and the CPI for the previous February and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living.

The increase of the assessment for Annexation Nos. 186 & 203 may not exceed 3%.

Alternatively, Assessment Districts Nos. 1, 2, 3, and 4 may use the Southern California Edison and California Public Utilities Commission (CPUC) approved rates for each light fixture adjustment schedule as the basis for adjustment of the annual rates. As a result, the assessment may be continued to be levied annually and may be increased by up to the maximum annual CPI adjustment (or CPUC adjustment for Assessment Districts Nos. 1, 2, 3, and 4), without any additional assessment ballot proceeding. Further, in the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding. [13]

For Fiscal Year 2025/26, the maximum authorized assessment rates for the Districts (except Annexation Nos. 186 & 203) are increased by 3.11%, based on the increase of the February 2024 to February 2025 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, of 3.11%. The maximum authorized assessment rates for Annexation Nos. 186 & 203 for Fiscal Year 2025/26 is 3.00%.

[13] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.7 Fiscal Year 2025/26 Maximum Assessment

The Fiscal Year 2025/26 maximum authorized assessment rates for the Districts are included in Section 8 of this Engineer's Report.

5.8 Duration of Assessment

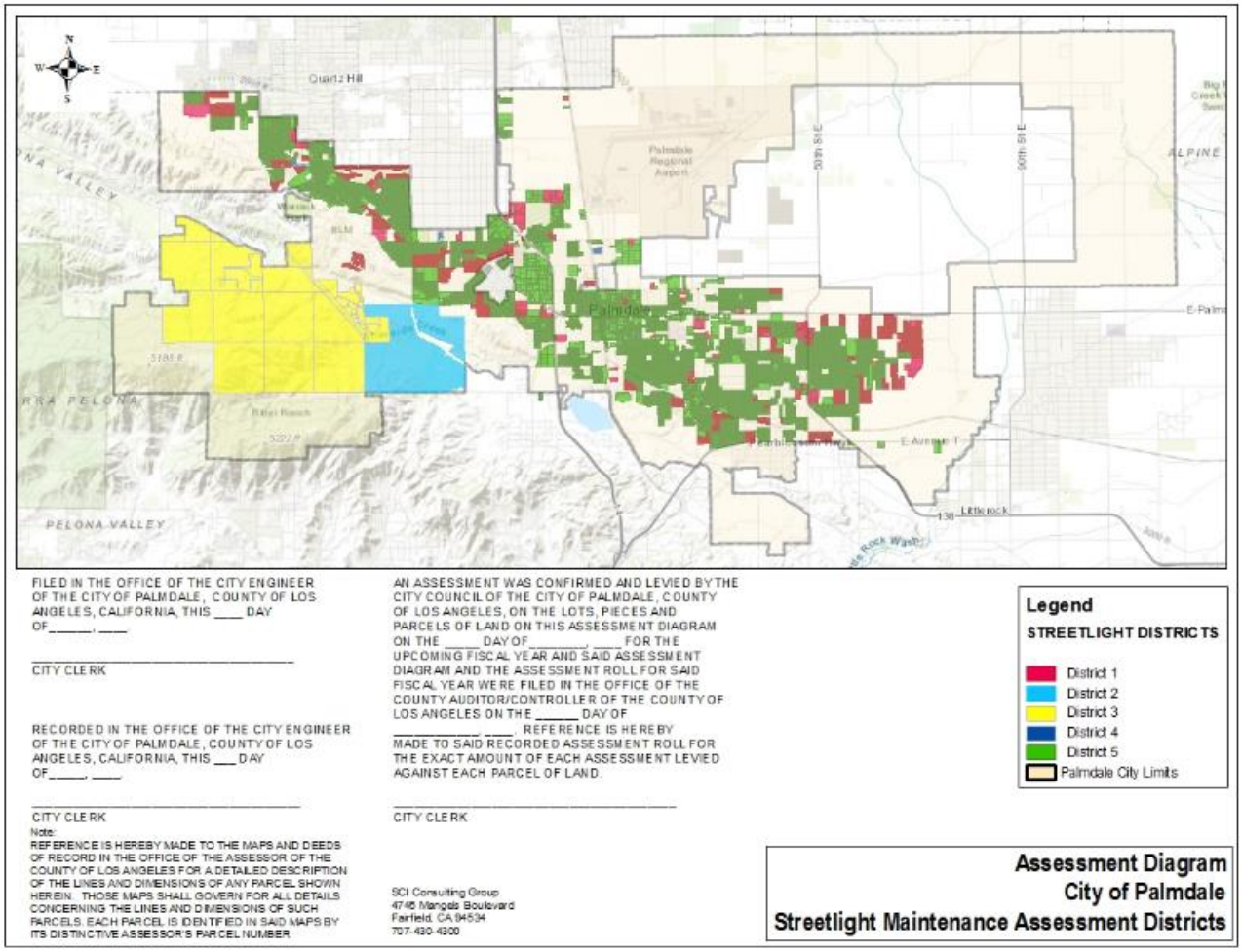
The Districts were formed or annexed in previous years. It is proposed that the assessments be continued every year after their formation or annexation, so long as the public improvements need to be maintained and improved, and the City requires funding from the assessments for these improvements in each District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

5.9 Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the City of Palmdale Public Works Engineer, or her or his designee, finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Palmdale Public Works Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City of Palmdale Public Works Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The boundaries of the Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Districts and Annexations are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this report.



7. STREETLIGHT MAINTENANCE DISTRICTS

The lights maintained for each District are shown in the table below.

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
District No. 1							
2002-001	PM 25755	Com	Ave S and 47th St East	32.44	10	0	0
2002-002	45217, 46193, 46194	Res	35th St East & Fairfield	0.00	0	0	0
2002-003	49016-02 & 03	Res	30th St West & Club Rancho Dr.	0.00	42	0	0
2002-004	47935	Res	Rancho Vista Blvd & Ave O-8	0.00	67	0	0
2002-005	47115, 47116, 47117, 44544	Res	SW Corner of Ave R-8 & 65th St East	0.00	78	0	0
2002-006	52142-03	Res	Ave P-8 and 30th St West	0.00	68	0	0
2002-007	45573	Res	Ave P-4 and 20th St West	0.00	13	0	0
2002-008	46602	Res	SW Corner of Ave N-8 and 55th St West	0.00	0	0	0
2002-009	51989	Res	Ave N and 50th St West	0.00	4	0	0
2002-010	45566	Res	55th St West	0.00	0	0	0
2002-011	46394-01	Res	Rancho Vista Blvd and Ave O-8	0.00	27	0	0
2002-012	53522	Res	SW Corner of Ave M-12 and 55th St West	0.00	0	0	0
2002-013	49016-04	Res	Ave N-8 and 30th St West	0.00	20	0	0
2002-014	44402	Res	Ave R-11 and 57th St East	0.00	19	0	0
2002-015	52142-1 & 2	Res	NW Corner of Ave P-8 and 25th St West	0.00	80	0	0
2003-016	48014-01 & 02	Res	Ave P-8 and Summerwind	0.00	53	0	0
2003-017	43689, 43690 & 43691	Res	Rancho Vista Blvd and 11th St West	0.00	86	0	0
2002-018	51505	Res	SE Corner of Ave P-8 and 20th St West	0.00	41	0	0
2002-019	PM 26593	Com	SW Corner of Ave O-8 and 10th St West	38.77	10	0	0
2003-020	Albertson's/PM 26612	Com	Ave N and 50th St West	18.25	10	0	0
2002-021	49016-05	Res	SW Corner of Ave N-8 and 30th St West	0.00	25	0	0
2002-022	49016-08, 09	Res	SE Corner of Ave N-8 and Bolz Ranch Rd	0.00	49	0	0
2003-023	AVUHSD	N-Res	N of Ave S and W of 70th St East	51.62	23	0	0
2003-024	Palmdale School District	N-Res	S of Ave Q and E of 22nd St East	4.62	3	0	0
2002-025	53855, 54806	Res	Ave P-8 and 20th St West	0.00	36	0	0
2003-026	Kaiser Medical	Com	Ave S and 45th St East	15.16	11	0	0
2003-027	52490	Res	55th St West	0.00	13	0	0
2003-028	37560 Sierra Hwy/ Secure Mini-Storage	Comm	37560 Sierra Hwy	3.95	4	0	0
2003-029	49016-07	Res	Bolz Ranch Rd (golf course)	0.00	18	0	0
2003-030	44893	Res	SE Corner of Ave S and 52nd St East	0.00	52	0	0
2003-031	46036	Res	Fairway Dr and Hook St	0.00	6	0	0
2003-032	PM 26721	Comm	SW Corner of Ave O-8 and 10th St West	6.81	8	0	0
2003-033	48847	Res	SW Corner of Ave S-12 and 37th St East	0.00	34	0	0
2003-034	7672/ 17th St. E. & Ave. Q	Comm	NW Corner of Ave Q and 17th St East	4.48	5	0	0
2003-035	PM 26990/ Amargosa Commons	Comm	SW Corner of Rancho Vista Blvd and 10th St West	17.40	9	0	0
2003-036	Ana Verde School	N-Res	Ave R and Division	15.34	9	0	0
2003-037	45218-01	Res	30th St East and Railroad	0.00	54	0	0
2003-038	53608	Res	NW Corner of Ave S-12 and 30th St East	0.00	26	0	0
2003-039	46710	Res	Ave R-12 and 25th St East	0.00	19	0	0
2003-040	Esperanza School	N-Res	35th St West and Town Center Dr	10.51	5	0	0
2003-041	49016-06	Res	Club Rancho Drive and Champion	0.00	10	0	0
2003-042	46597	Res	SW Corner of Ave S-8 and 40th St East	0.00	30	0	0
2004-043	53869	Res	NE Corner of Ave Q-8 and Tierra Subida	0.00	36	0	0
2003-044	CUP 03-30/ Iglesia de Cristo Miel	N-Res	West side of 17th St East between Aves Q-14 and Q-15	1.05	5	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2003-044	CUP 03-30/ Iglesia de Cristo Miel	Comm	1675 E Avenue Q15	3.42	6	0	0
2004-045	Ponderosa School	N-Res	NW Corner of Pearblossom Hwy and 37th St East	12.80	10	0	0
2004-046	53857	Res	NW Corner of Bolz Ranch Rd and Sawgrass Dr	0.00	36	0	0
2004-047	53199	Res	NW Corner of Ave R and 60th St East	0.00	71	0	0
2004-048	60053	Res	NW Corner of Ave R and 40th St East	0.00	48	0	0
2004-049	Fairway BP	Comm	SW Corner of Ave O and Division St	55.18	61	0	0
2004-050	60070	Comm	Sierra Hwy between Ave R-8 and Ave S	7.14	6	0	0
2004-051	Granite Hills School	N-Res	SW Corner of Ave R-8 and 67th St East	9.29	5	0	0
2004-052	54058-01 & 02	Res	SE Corner Ave P-8 and 25th St West	0.00	101	1	0
2004-053	54075	Res	NW Corner Ave N-8 and 55th St West	0.00	11	0	0
2004-054	52489	Res	NE Corner Ave N-8 and 55th St West	0.00	16	0	0
2004-055	54399	Res	NE Corner Ave P-6 and 25th St West	0.00	42	0	0
2004-056	PM 60501	Comm	NE Corner Ave Q-8 and 5th St West	13.65	0	0	0
2004-057	60462	Res	Bolz Ranch Rd and Homeridge Dr	0.00	18	1	12
2004-058	53990	Res	Paradise Dr from Aves M-8 to M-12	0.00	12	0	0
2004-059	54383	Res	25th St East and Turner Dr	0.00	34	0	0
2004-060	52200 01 & 02	Res	W of Ave P-12 and 30th St West	0.00	125	0	0
2004-061	PM 27019	Comm	SE Corner of Ave O-4 and 10th St West	38.64	25	2	0
2004-062	54226	Res	SW Corner of Palmdale Bl and 60th St East	0.00	34	0	0
2004-063	60745	Res	SW Corner of Palmdale Bl and 58th St East	0.00	14	0	0
2004-064	53221	Res	NW Corner of 40th St East 300 feet N of R-6	0.00	36	0	0
2004-065	49147-01	Res	NW Corner of Ave R and 70th St East	0.00	59	0	0
2004-066	49147-02	Res	NW Corner of Ave R and 70th St East	0.00	10	0	0
2004-067	49147-03	Res	NW Corner of Ave R and 70th St East	0.00	22	0	0
2004-068	53067	Res	SW Corner of Palmdale Blvd and 55th St East	0.00	35	0	0
2004-069	60954	Res	SE Corner of Palmdale Blvd and 50th St East	0.00	42	0	13
2004-070	60926	Res	NW Corner of Ave R and 40th St East	0.00	20	0	11
2004-071	53921	Res	Whitecliff Street and Crane Court	0.00	20	0	0
2004-072	46755	Res	NE Corner Ave R-8 and 60th St E	0.00	10	0	0
2004-073	60128	Res	Rockie Lane Ave R-8 to Ave S	0.00	2	0	0
2004-074	060028 01 & 02	Res	SE corner of Ave R and 70th st East	0.00	2	0	0
2004-075	46757	Res	Palmdale Blvd, 65th St East, Ave R	0.00	160	0	0
2004-076	54339	Res	SE Corner of Ave M and 70th St West	0.00	62	0	0
2004-077	53920	Res	Fort Tejon Road N of SP RailRoad (50th East)	0.00	89	0	0
2005-078	National Storage	Com	NW Corner of Palmdale Bl and 35th St East	4.30	3	0	0
2005-079	44543	Res	SE Corner of Russ Place and 55th St East	0.00	22	0	0
2005-080	60588	Res	37th St E and San Antonio Dr	0.00	6	0	0
2005-082	52921	Res	SW Corner of Ave S and 60th St East	0.00	73	0	0
2005-083	61699	Res	Ave S2 and Julian Lane	0.00	15	0	0
2005-084	17042/ P-14 @ 6th Street E	Res	Ave P14 and 6th St East	0.00	8	0	0
2005-085	54301-01	Res	NE Corner of Ave M-8 and 70th St West	0.00	66	0	0
2006-086	60209	Res	70th and M	0.00	41	0	0
2005-087	61770	Res	SE Corner of Avenue S and Hillcrest Drive	0.00	22	0	0
2005-088	PM 23981/ Tommy's Burger	Com	Rancho Vista at Hwy 14	0.42	2	0	0
2005-089	54301	Res	NW Corner of Ave M-8 and 67th St West	0.00	72	0	0
2005-090	Palmdale Hospital	Com	Tierra Subida and Palmdale Blvd	29.66	16	0	0
2005-091	54209	Res	NE Corner of Ave R and 35th St East	0.00	51	0	0
2005-092	CUP 00-01/ Highland Church	Com	NW Corner of Rancho Vista Blvd and 20th St west	9.04	14	0	0
2005-095	60789	Res	SW Corner of Ave S-4 and 40th St East	0.00	7	0	0
2005-096	52029	Res	NW Corner of Pearblossom Hwy and 50th St East	0.00	45	0	0
2005-097	46356	Res	NW Corner of Pealblossom Hwy and 47th St East	0.00	56	0	0
2005-098	46394	Res	South of Rancho Vista between Cricket Lane and Ave O8	0.00	0	0	0
2005-099	46454	Res	SW Corner of 15th St West and Elizabeth Lake Road	0.00	79	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2005-100	CUP 03-02/ Tom's #27	Comm	S of Ave R, W of 47th St East	4.03	6	0	0
2005-101	62020	Res	Ave S and Downing Street	0.00	30	0	0
2005-102	49147-04	Res	Aver R, 65th St E to 70th St E	0.00	21	0	0
2005-103	49147-05	Res	Aver R, 65th St E to 70th St E	0.00	20	0	0
2005-104	49147-06	Res	Aver R, 65th St E to 70th St E	0.00	31	0	0
2005-105	62695	Res	Ave N-8 and Entar Drive	0.00	26	0	0
2005-106	52806	Condo	25th and 27th East approx 600 feet south of Palmdale Bl	0.00	24	0	0
2006-107	PM 62432	N-Res	South side of Rancho vista Blvd, West of Delson Drive	4.80	6	0	0
2006-108	SPR 5-04-1/ Vlm 145 Twin Palms Apt.	M-Fam	N of Ave Q4, E of 11th St East	0.00	11	0	0
2006-109	61488	Res	North of Ave R-6, West of 30th St East	0.00	13	0	0
2006-110	61610	Res	south of Palmdale Bl, west of 58th St East	0.00	16	0	0
2006-111	61611/61981	Res	north of Ave S, east of 65th East	0.00	40	0	0
2006-113	CUP 05-10/PM 62693	Comm	NE corner of Rancho Vista Blvd and Fairway Dr	3.64	6	0	0
2006-114	60511	Res	S of Avenue R, E of 40th St E	0.00	19	0	0
2006-115	62068	Res	North of Ave S and East of Rockie Lane	0.00	27	0	0
2006-116	54058-03	Res	SE Corner Ave P-8 and 25th St West	0.00	46	0	0
2006-117	60408	Res	south of Avenue M-12; west of 52nd St West	0.00	35	0	0
2006-119	Desert Willow School	N-Res	South of Ave S-8; east of 60th St East	18.00	16	0	0
2006-120	United Fellowship Church	Church	North of Ave R-12; west of 25th St East	9.87	5	0	0
2006-121	60431	Res	South of Columbia Way; west of 70 St West	0.00	130	0	0
2006-122	62974	Res	South of Ave Q and East of 40th St East	0.00	44	0	0
2006-123	51224	Res	So uth of Spanish Broom Dr between Firethorn Ave & Waltham Pl	0.00	60	0	0
2007-124	51451, & 51451-01	Res	N of Union Pacific rof W of Fort Tejon, E of 47th S E	43.16	94	0	0
2006-125	SPR 10-04-1	Comm	West side of 10th West 150 N. of Ave O8	5.75	9	0	0
2006-126	CUP 05-19	Comm	N Side of Ave S 300 ft wesdt of 47th St East	5.55	2	0	0
2006-127	53342	Res	West of Tilbury Dr and NW or Rancho Vista Blvd	0.00	36	0	0
2006-128	47510	Res	S of Ave R, E of Tackstem St	0.00	4	0	0
2006-129	63008	Res	636' s of Palmdale Bl, E of Chapelle St	0.00	12	0	0
2006-130	62213	Res	N of Ave S-4, W of 42nd Street East	0.00	21	0	0
2006-131	School	N-Res	26Th St E and 29th St E Ave R-10 and Ave R-12	12.52	13	0	0
2006-132	61045	Res	S of Palmdale Blvd West of 52nd Street East	0.00	47	0	0
2006-133	61941	Res		0.00	0	0	0
2006-134	61443	Res	N of Q4, East of 22nd Street East	0.00	9	0	0
2006-135	SPR 12-05-1/ Jonan Property Rancho Vista&12E	Comm	S of Rancho Vista Bl, E of 12th St E	9.57	10	0	0
2006-136	Professional Center	Comm	NW corner 10th St West and Avenue O-8	1.60	3	0	0
2006-137	SPR 4-06-6 Cielo Azul Senior Apts.	M-Fam	N or Avenue R, E of 27th st E	0.00	3	0	0
2006-139	49215	Res	S of Ave S-8, W od 42nd St E	0.00	2	0	0
2006-140	62490/66868	Condo	Corner of Rancho Vista Blvd & Extension of Tilbuty Dr	0.00	27	0	0
2007-141	PM 66322	Comm	N of Avenue R, W of 47th Street E	46.68	31	0	0
2007-143	62371	Res		0.00	0	0	0
2007-144	54058-4	Res	S of Ave P-8, W of 20th St. W	0.00	36	0	0
2007-145	50871	Res	NW Corner, Union Pacific and 60th St E	0.00	57	0	0
2007-146	CUP 05-30/Rite Aide	Comm	E of 47th St E, S of Ave R	4.69	6	0	0
2007-147	60162	Res	east of 60th St E, south of Tr 45705, W of Rockie Lane	0.00	7	0	0
2007-148	SPR 7-06-2	Comm	northeast corner of 30th St East and Ave R	0.00	8	0	0
2007-149	SPR 11-06-2	Comm	south of Palmdale Blvd 300ft E of 5th St E	1.94	4	0	0
2008-150	63412	Res	NE Corner of Ave. R and 60th St East	0.00	25	0	0
2008-151	PM 65044	Comm	NEC of Avenue S and 40th St. East	12.63	10	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2008-152	GD 07-66/ Northrop Grumman Federal CU	Comm	41943 Sierra Highway	5.11	4	0	0
2008-153	51451-02	Comm		0.00	0	0	0
2009-154	PM 69766/CUP 07-18	Comm	NEC of Avenue R and 47th St. East	12.54	10	0	0
2019-186	TR. 73740 Homes 4Famlies	Res	SEC of Division Street & Taintor Road	0.00	11	0	0
District No. 4							
2010-155	PM 070794/Gregg Anderson School	Comm/ Sch	Avenue N-8 / Rancho Vista Blvd	18.15	20	0	0
2010-156	18659/ AutoZone	Comm	North of Palmdale Blvd, South of Ave Q-7 & 31ST ST E	0.98	2	0	0
2012-157	7670-All Parts Auto Recycling	Comm	between 8th Street East & Sierra Hwy	18.49	6	0	0
2011-158	Vulcan Materials	Light Ind	along E Ave T, east of 70th St E	160.70	14	0	0
2013-159	David G.Millen Interm School	Comm/ Sch	N side of W Ave P-8, bw 23rd St W & 22nd St W	16.39	16	0	0
2012-160	1st United Methodist Church	Comm/ Chu	NE corner of Rancho Vista Blvd & 25th St W	11.56	10	0	0
2012-161	69008/ Palmdale TOD Apts	M-Fam	N of Ave Q bw 3rd St E & 6th St E	0.00	13	0	0
2012-162	Cruz Thru Carwash	Comm	39315 10th St W	1.32	1	0	0
2013-163	O'Reilly Automotive Stores	Comm	SE corner of E Palmdale Blvd & 12th St E	0.90	3	0	0
2013-164	AV Recycling	Light Ind	along Ave R-5 west of Tierra Subida	184.94	19	0	0
2013-165	66204-ALTA Community	Res	N side of AveR-8 bw 57th St E & Segovia Way	0.00	5	0	0
2013-166	Rancho Vista Market	Comm	3875 W. Rancho Vista Blvd.	9.31	10	0	0
2014-167	Family Dollar	Comm	3157 E Palmdale Blvd	0.97	1	0	0
2014-168	72222--Arco AM/PM	Comm	41155 10th St W	1.94	2	0	0
2015-169	68181	Res	north side of Ave S-4, bw Sylvam St & 45th St E	0.00	3	0	0
2015-170	APN 3008-037-063 (38461 10th St E)/ Congregation of Jehovah's Witnesses	Comm/ Chu	38461 10th St E	2.66	3	0	0
2016-172	APNs 3204-022-901,-903,-908,-909/ AVEK	Light Ind	6500 W Avenue N	21.48	2	0	0
2019-173	APN 3020-004-095/ Aerospace Academy	Comm	3300 East Palmdale Blvd	15.36	14	0	0
2017-174	APNs 3009-024-935,-936 / Courson Arts Colony	MFR	Ave Q-2, bw 9th St E and 10th St E	0.00	1	0	0
2017-175	APNs 3020-001-036 & -037/ Guidance Charter School	Comm	East Avenue R & 40th Street East	30.46	16	0	0
2017-178	portion of APN 3021-030-007/ Tractor Supply	Comm	3747 East Palmdale Blvd	3.83	7	0	0
2017-180	APN 3021-030-036	Comm	3851 E Palmdale Blvd NE corner of E Palmdale Blvd & 40th St	1.72	8	0	0
2019-184	Tract 73401 (APN 3015-011-035)	MFR	SE corner of E Ave Q, north of E Ave Q3, E of Orchird View Pla	0.00	13	0	0
2020-193	Edwards Federal Credit Union	Comm	39963 10th Street West	1.61	1	0	0

District No. 2							
2004-800	Anaverde	Res/ Comm	Avenue S	40.00	0	0	0
2012-801	61895-01	School/ Res	South of Avenue S and Greenbrier Street	10.54	10	0	0
District No. 3							
2006-900	Ritter Ranch	Res/ Comm	Elizabeth Lake Road	57.00	0	0	0
District No. 5							
91616	throughout the City	all types	throughout the City	951.51	14,299	0	0
Totals:				**2,167.87**	**18,592**	**4**	**36**

8. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2025/26, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following pages summarize the Fiscal Year 2025/26 assessments for the Districts and Annexations.

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2025/26 EDUs per District	2025/26 Assessment Amount	2025/26 Actual Assessment Rate per EDU	2025/26 Maximum Assessment Rate per EDU
1	10	146.280	$19,304.52	$131.97	$131.97
2	0	0.00	0.00	0.00	0.00
3	104	104.000	13,724.88	131.97	131.97
4	132	132.000	17,420.04	131.97	131.97
5	159	159.000	20,983.23	131.97	131.97
6	156	156.000	20,587.32	131.97	131.97
7	45	45.000	5,938.65	131.97	131.97
8	0	0.00	0.00	0.00	0.00
9	19	19.000	2,507.43	131.97	131.97
10	0	0.00	0.00	0.00	0.00
11	49	49.000	6,466.53	131.97	131.97
12	0	0.00	0.00	0.00	0.00
13	49	49.000	6,466.53	131.97	131.97
14	53	53.000	6,994.41	131.97	131.97
15	161	161.000	21,247.17	131.97	131.97
16	86	86.000	11,349.42	131.97	131.97
17	144	144.000	19,003.68	131.97	131.97
18	72	72.000	9,501.84	131.97	131.97
19	8	137.120	18,095.70	131.97	131.97
20	8	73.000	9,633.78	131.97	131.97
21	70	70.000	9,237.90	131.97	131.97
22	158	158.000	20,851.26	131.97	131.97
23	1	206.480	27,249.16	131.97	131.97
24	1	18.480	2,438.80	131.97	131.97
25	72	72.000	9,501.84	131.97	131.97
26	5	60.640	8,002.65	131.97	131.97
27	21	21.000	2,771.37	131.97	131.97
28	1	15.800	2,085.12	131.97	131.97
29	49	49.000	6,466.53	131.97	131.97
30	122	122.000	16,100.34	131.97	131.97
31	13	13.000	1,715.61	131.97	131.97
32	3	25.880	3,415.36	131.97	131.97
33	74	74.000	9,765.78	131.97	131.97
34	1	17.920	2,364.90	131.97	131.97
35	6	64.600	8,525.25	131.97	131.97
36	2	61.360	8,097.67	131.97	131.97
37	92	91.500	12,075.25	131.97	131.97
38	78	78.000	10,293.66	131.97	131.97
39	43	43.000	5,674.71	131.97	131.97
40	1	42.040	5,548.01	131.97	131.97
41	51	51.000	6,730.47	131.97	131.97
42	64	64.000	8,446.08	131.97	131.97
43	67	67.000	8,841.99	131.97	131.97
44	1	16.560	2,185.42	131.97	131.97
45	1	51.200	6,756.86	131.97	131.97
46	64	64.000	8,446.08	131.97	131.97

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2025/26 EDUs per District	2025/26 Assessment Amount	2025/26 Actual Assessment Rate per EDU	2025/26 Maximum Assessment Rate per EDU
47	153	153.000	20,191.41	131.97	131.97
48	108	108.000	14,252.76	131.97	131.97
49	16	217.800	28,742.99	131.97	131.97
50	1	28.560	3,769.06	131.97	131.97
51	2	37.560	4,956.78	131.97	131.97
52	185	185.000	24,414.45	131.97	131.97
53	25	25.000	3,299.25	131.97	131.97
54	21	21.000	2,771.37	131.97	131.97
55	79	79.000	10,425.63	131.97	131.97
56	8	50.760	6,698.76	131.97	131.97
57	41	41.000	5,410.77	131.97	131.97
58	0	0.00	0.00	0.00	0.00
59	62	62.000	8,182.14	131.97	131.97
61	11	140.360	18,523.25	131.97	131.97
62	70	70.000	9,237.90	131.97	131.97
63	32	32.000	4,223.04	131.97	131.97
64	85	85.000	11,217.45	131.97	131.97
65	78	78.000	10,293.66	131.97	131.97
66	34	34.000	4,486.98	131.97	131.97
67	59	61.000	8,050.17	131.97	131.97
68	66	66.000	8,710.02	131.97	131.97
69	78	78.000	10,293.66	131.97	131.97
70	0	0.00	0.00	0.00	132.28
71	38	39.000	5,146.83	131.97	131.97
72	0	0.00	0.00	0.00	132.28
73	38	38.000	5,014.86	131.97	131.97
74	372	372.000	49,092.84	131.97	131.97
75	388	388.000	51,204.36	131.97	131.97
76	83	83.000	10,953.51	131.97	131.97
77	0	0.00	0.00	0.00	0.00
78	1	22.840	3,014.19	131.97	131.97
79	46	46.000	6,070.62	131.97	131.97
80	15	15.000	1,979.55	131.97	131.97
82	168	168.000	22,170.96	131.97	131.97
83	38	38.000	5,014.86	131.97	131.97
84	40	40.000	5,278.80	131.97	131.97
85	90	90.000	11,877.30	131.97	131.97
86	40	40.000	5,278.80	131.97	131.97
87	33	33.000	4,355.01	131.97	131.97
88	1	0.830	109.53	131.97	131.97
89	90	90.000	11,877.30	131.97	131.97
90	3	118.640	15,656.91	131.97	131.97
91	93	93.000	11,810.07	126.99	126.99
92	1	35.600	4,698.13	131.97	131.97
95	16	16.000	2,111.52	131.97	131.97
96	106	106.000	13,988.82	131.97	131.97

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2025/26 EDUs per District	2025/26 Assessment Amount	2025/26 Actual Assessment Rate per EDU	2025/26 Maximum Assessment Rate per EDU
97	92	92.000	12,141.24	131.97	131.97
99	174	174.000	22,962.78	131.97	131.97
100	2	4.030	531.83	131.97	131.97
101	66	66.000	8,710.02	131.97	131.97
102	60	60.000	7,918.20	131.97	131.97
103	52	52.000	6,862.44	131.97	131.97
104	58	58.000	7,654.26	131.97	131.97
105	42	42.000	5,542.74	131.97	131.97
106	204	163.200	21,536.28	131.97	131.97
107	3	53.380	7,044.54	131.97	131.97
108	1	16.000	2,111.52	131.97	131.97
109	1	16.000	2,111.52	131.97	131.97
110	5	32.000	4,223.01	131.97	131.97
111	59	29.500	3,892.82	131.97	131.97
113	1	14.560	1,921.48	131.97	131.97
114	28	28.000	3,695.16	131.97	131.97
115	50	50.000	6,598.50	131.97	131.97
116	111	111.000	14,652.00	132.00	132.00
117	2	45.000	5,938.64	131.97	131.97
119	0	0.00	0.00	0.00	0.00
120	3	39.480	5,210.16	131.97	131.97
121	0	0.00	0.00	0.00	132.28
122	62	62.000	8,182.14	131.97	131.97
123	117	117.000	15,440.49	131.97	131.97
124	0	0.00	0.00	0.00	0.00
125	1	23.000	3,035.31	131.97	131.97
126	2	22.000	2,903.34	131.97	131.97
127	1	96.000	12,669.12	131.97	131.97
128	0	0.00	0.00	0.00	132.28
129	41	41.000	5,410.77	131.97	131.97
130	0	0.00	0.00	0.00	0.00
131	0	0.00	0.00	0.00	0.00
132	0	0.00	0.00	0.00	0.00
134	2	17.000	2,243.48	131.97	131.97
135	1	38.280	5,051.81	131.97	131.97
136	1	6.400	844.60	131.97	131.97
137	1	18.600	2,454.64	131.97	131.97
139	8	8.000	1,056.00	132.00	132.00
140	11	343.200	41,685.03	121.46	121.46
141	16	186.720	24,641.36	131.97	131.97
144	93	93.000	12,273.21	131.97	131.97
145	0	0.00	0.00	0.00	0.00
146	3	16.520	2,180.13	131.97	131.97
147	0	0.00	0.00	0.00	0.00
148	0	0.00	0.00	0.00	0.00
149	1	7.760	1,024.08	131.97	131.97

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2025/26 EDUs per District	2025/26 Assessment Amount	2025/26 Actual Assessment Rate per EDU	2025/26 Maximum Assessment Rate per EDU
150	0	0.00	0.00	0.00	0.00
151	0	0.00	0.00	0.00	0.00
152	1	20.440	2,697.46	131.97	131.97
154	8	43.800	5,780.25	131.97	131.97
186	56	112.000	3,609.76	32.23	32.23
203	1	26.200	12,225.44	466.62	466.62
TOTAL SLMD #1	**6,671**	**9,174.880**	**$1,204,337.03**		
155	1	73.600	9,712.99	$131.97	$131.97
156	1	3.920	505.87	129.05	129.05
157	0	0.000	0.00	0.00	126.73
158	0	0.000	0.00	0.00	131.59
159	2	72.280	9,488.19	131.27	131.27
160	0	0.000	0.00	0.00	132.28
161	3	171.100	22,097.55	129.15	129.15
162	1	5.280	696.85	131.98	131.98
163	1	3.760	496.24	131.98	131.98
164	2	186.700	24,508.10	131.27	131.27
165	0	0.000	0.00	0.00	131.59
166	4	37.280	4,893.72	131.27	131.27
167	1	3.880	512.08	131.98	131.98
168	1	5.916	776.59	131.27	131.27
169	0	0.000	0.00	0.00	132.19
170	1	6.960	918.58	131.98	131.98
172	4	21.080	2,782.11	131.98	131.98
173	1	61.440	8,109.46	131.99	131.99
174	2	76.550	10,103.06	131.98	131.98
175	2	121.820	15,687.97	128.78	128.78
178	1	14.720	1,942.74	131.98	131.98
180	1	6.880	908.09	131.99	131.99
184	10	47.050	6,210.12	131.99	131.99
193	1	6.440	841.96	130.74	130.74
TOTAL SLMD #4	**40**	**926.656**	**$121,192.27**		
800	1,417	1,417.000	183,558.18	$129.54	$129.54
801	2	63.918	8,263.94	129.29	129.29
TOTAL SLMD #2	**1,419**	**1,480.918**	**$191,822.12**		
900	32	32.000	54,195.84	$1,693.62	$1,693.62
TOTAL SLMD #3	**32**	**32.000**	**$54,195.84**		
91616	31,611	34,954.000	3,453,455.20	$98.80	$98.80
TOTAL SLMD #5	**31,611**	**34,954.000**	**$3,453,455.20**		
TOTAL ALL SLMDs	**39,773**	**46,568.454**	**$5,025,002.46**		

City Council Staff Report

DATE: **JULY 1, 2025**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2025-031, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE UPDATING THE SEWER COLLECTION SERVICE CHARGE AND ORDERING THE CONTINUATION OF THE CHARGE FOR THE OPERATION AND MAINTENANCE OF THE PALMDALE SEWER COLLECTION SYSTEM FOR FISCAL YEAR 2025-26**

RECOMMENDATION

Staff recommend that the City Council:

1. Hold the public hearing to accept public testimony; and,

2. Adopt Resolution No. CC 2025-031, a Resolution of the City Council of the City of Palmdale updating the Sewer Collection Service Charge and ordering the continuation of the charge for the operation and maintenance of the Palmdale sewer collection system for Fiscal Year 2025-26; and,

3. Authorize the Mayor to execute Resolution No. CC 2025-031, ordering continuation of the Sewer Collection Service Charge for the Fiscal Year 2025-26.

BACKGROUND

In July 2009, the City took over maintenance and operation of the sewer collection system from the Consolidated Sewer Maintenance District (CSMD) of Los Angeles County. At that time, the City withdrew from CSMD and became responsible for the maintenance, operation, repair, rehabilitation, and replacement of the sewer collection system within the City boundary. The City-owned collection facilities convey wastewater to trunk sewers and treatment facilities owned by Sanitation Districts #14 and #20 of Los Angeles County.

In order to fund the operation and maintenance of the sewer collection system, the City initiated notification and protest proceedings as specified in Section 53750 of the California State Government Code and Article XIII D of the California State Constitution. On June 18, 2008, the City Council held a public hearing regarding the sewer system funding. A majority of property owners did not present written protests, and therefore the City Council passed Resolution CC 2008-056 which adopted the Fee. Additionally, on June 18, 2008, the City Council adopted Ordinance 1353 adopting Chapter 13.05 of the Palmdale Municipal Code establishing a Sewer Collection Service Charge. On April 1, 2009, the City Council adopted Ordinance 1361 amending Section 13.05.130 of Chapter 13.05 of the Palmdale Municipal Code.

In 2020, the City initiated a rate study to review the sewer collection service charges. The "Sewer Service Charge Analysis, Five Year Rate Proposal" (the "Rate Study") was completed by Bartle Wells Associates in April 2020. The Rate Study determined that the City currently receives sufficient revenues from the Fee to provide its sewer collection services, sewer-related repairs, and capital projects. The analysis further states that the sewer enterprise fund is in good financial condition, and the Fee should continue to be applied unchanged at the rate of $103.63 per sewage unit for five years, from Fiscal Year 2020-21 to Fiscal Year 2024-25. The City plans to continue assessing the same charge of $103.63 per sewage unit for Fiscal Year 2025-26.

DISCUSSION

The City worked with NBS to prepare the Fiscal Year 2025-26 Sewer Collection Service Charge Report dated June 2025, which contains the methodology for determining the Fee and assigning it to each parcel, estimates the cost for operations and maintenance of the sewer collection system, and lists the rate of the Fee.

The City Council will hold a public hearing regarding the approval of the Fiscal Year 2025/2026 Sewer Collection Service Charge Report dated June 2025 and the ordering of the levy for Fiscal Year 2025-26. Following the public hearing, the City Council will consider adoption of Resolution No. CC 2025-031, ordering the continuation of the charge for the operation and maintenance of the City's sewer collection system and the continuation of the levy and collection of the Fee on the Los Angeles County tax rolls.

FISCAL IMPACT

$5,579,283.57; the proposed total Fee for Fiscal Year 2025-26 is $5,579,283.57. Details of the Fee are within the Fiscal Year 2025-26 Sewer Collection Service Charge Report, dated June 2025, included as an attachment.

Approval of the Fee would result in revenues that would fund the maintenance and operation of the sewer collection system owned and operated by the City for Fiscal Year

2025-26. The Fee for Fiscal Year 2025-26 is $103.63 per sewage unit, which is the same rate since Fiscal Year 2010-11.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

B. Establish healthy reserves for ongoing replacement and repair of capital assets while stabilizing annual spending.

Prepared by:	Leonardo Torres, Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Operations
Approved by:	Salvador Mendez, City Manager Pro Term
Approved as to form:	Alexandra Halfman, Acting City Attorney

ATTACHMENTS

Reso. No. CC 2025-031
Rpt Fiscal Year 2025-26 Sewer Collection Service Charge Report

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2025-031

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE UPDATING THE SEWER COLLECTION SERVICE CHARGE AND ORDERING THE CONTINUATION OF THE CHARGE FOR THE OPERATION AND MAINTENANCE OF THE PALMDALE SEWER COLLECTION SYSTEM FOR FISCAL YEAR 2025/2026

WHEREAS, the City of Palmdale owns the local sewer system and requires sufficient fees and charges to fund the operation, maintenance and replacement of the sanitary sewer system; and

WHEREAS, on June 4, 2008, the City Council adopted Resolution No. CC 2008-056 approving the Sewer Fee Report for the Palmdale Sewer System Analysis, dated April 2008, to establish a Sewer Collection Service Charge to fund the collection, operation and maintenance of the Palmdale Sewer Collection System; and

WHEREAS, on June 18, 2008, the City Council adopted Ordinance 1353 adopting Chapter 13.05 of the Palmdale Municipal Code establishing a Sewer Collection Service Charge on all properties within the corporate limits of the City of Palmdale; and

WHEREAS, on April 1, 2009, the City Council adopted Ordinance 1361, amending Section 13.05.130 of Chapter 13.05 of the Palmdale Municipal Code relative to sewer collection service charges and clarifying certain sewage units in Section 13.05.130, Table A, to correct some errors in the number of sewage units for designated land uses; and

WHEREAS, in April 2020, the City prepared a Sewer Rate Study to review the Sewer Collection Service Charge, which determined that the sewer service charge rate of $103.63 per sewer unit, applied since Fiscal Year 2010-2011, provides sufficient revenue to fund the operations and maintenance of the sewer collection system and sewer related repairs and expansion as required, and therefore determined the sewer service charge rate should continue to be applied unchanged for the next five years, from Fiscal Year 2020-2021 to Fiscal Year 2024-2025; and

WHEREAS, City staff will submit an annual report each fiscal year determining the actual amount of sewer service charges to be levied and shall submit such annual report to the City Council for approval. After which, the sewer service charges may be levied and collected in the manner as set forth in Ordinance No. 1353, and Ordinance No. 1361; and

WHEREAS, on July 1, 2025 at the hour of 5:00 p.m. at the City Council Chambers located at 38300 Sierra Highway, Suite C, Palmdale, California, a public hearing was

conducted by this City Council on the question of the levy of the proposed sewer service charge, notice of which hearing was given as required by law; and

WHEREAS, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of the levy were fully heard and considered by this City Council, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this City Council thereby acquired jurisdiction to order the levy and the confirmation of the sewer service charge prepared by and made a part of the Fiscal Year 2025/2026 Sewer Collection Service Charge Report dated June 2025.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council of the City of Palmdale hereby finds that the public interest and convenience requires the continued maintenance and operation of the Palmdale Sewer System improvements within the City of Palmdale's boundaries.

SECTION 3. The sewer service charges as set forth in the Fiscal Year 2025/2026 Sewer Collection Service Charge Report dated June 2025, or as modified, are hereby approved, confirmed, and adopted by the City Council.

SECTION 4. The sewer service charge rates shown in Ordinance No. 1353 for Fiscal Years 2008-2009, 2009-2010, and 2010-2011 are the maximum sewer service charge rates allowed for these years, and the sewer charge applied for Fiscal Year 2025/2026 is the same as the sewer service charge rate approved since Fiscal Year 2010-2011, as justified by the Fiscal Year 2025/2026 Sewer Collection Service Charge Report dated June 2025.

SECTION 5. The adoption of this Resolution constitutes the continuation of the levy of the sewer service charge rate of $103.63 per sewage unit for benefiting parcels for the operation and maintenance of the Palmdale Sewer Collection System for the Fiscal Year commencing July 1, 2025 and ending June 30, 2026.

SECTION 6. The amount of sewer service charges to be assessed for the expenses of the maintenance, operation, and service, as described in the Fiscal Year 2025/2026 Sewer Collection Service Charge Report dated June 2025, Ordinance No. 1353, and Ordinance No. 1361, shall be collected at the same time and in the same manner as Los Angeles County taxes are collected. Sewer service charge revenue shall be disbursed and expended for the maintenance, operation, and service of the Palmdale Sewer Collection System, all as described in the annual Fiscal Year 2025/2026 Sewer Collection Service Charge Report and in Ordinance No. 1353.

SECTION 7. The City Clerk shall certify to the adoption of this Resolution and shall file a certified copy with the Los Angeles County Auditor.

PASSED, APPROVED and **ADOPTED** this 1st day of July, 2025.

Approved as to form:

_____
Alexandra Halfman
Acting City Attorney

_____
Richard J. Loa, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 1st day of July, 2025 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Fiscal Year 2025/26 Sewer Fee Report For:

Sewer Collection Service Charge

June 2025

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. Introduction 1

1.1 Background 1

1.2 Process for Annual Fee 1

1.3 Legislative Context 2

2. **Plans and Specifications 3**

2.1 Parcel Inventory 3

2.2 Property Classification 4

3. Estimate of Costs 8

3.1 Estimated Costs and Revenue Required 8

4. Method and Rate of Calculation 11

5. **Sewer Fee Parcel Listing 12**

1. INTRODUCTION

1.1 Background

In July 2009, the City of Palmdale (the "City") took over the maintenance and operation of the sewer collection system from the Consolidated Sewer Maintenance District (CSMD) of Los Angeles County. At that time, the City withdrew from the CSMD and became responsible for the maintenance, operation, repair, rehabilitation, and replacement of the sewer collection system within the City's boundary. The City-owned collection facilities convey wastewater to trunk sewers and treatment facilities owned by Sanitation Districts #14 and #20 of Los Angeles County.

In order to fund the operation and maintenance of the sewer collection system, the City initiated notification and protest proceedings as specified in Section 53750 of the California State Government Code and Article XIII D of the California State Constitution. Notices were mailed to property owners in areas currently served by the municipal sewer system or likely to be served by the municipal sewer system in the future. The notice explained the reason for the proposed Sewer Collection Service Charge (the "Fee"), the method by which the Fee is calculated, and the rates for Fiscal Years 2008/09, 2009/10, and 2010/11. The notice also included the time, date, and place of a public hearing for the Fee, and instructions that property owners could file written protests against implementation of the Fee. The notice specified that if a majority of property owners filed written protests, the Fee would not be charged.

On June 18, 2008, the City held the public hearing. A majority of property owners did not present written protests, and therefore the City passed Resolution CC 2008-082 which adopted the Fee.

In 2020, the City ordered a rate study to evaluate the sewer collection service charges for the next five fiscal years. The "Sewer Service Charge Analysis, Five Year Rate Proposal" (the "Rate Study") was completed by Bartle Wells Associates in April 2020. The Rate Study shows that the City currently receives enough revenues from the Fee to provide its sewer collection services, sewer related repairs, and capital projects. The Rate Study analysis further states that the sewer enterprise is in good financial condition, and an increased rate above the current rate of $103.63 per sewage unit is not anticipated for five years.

The City plans to continue assessing the same charge of $103.63 per sewage unit.

The Fee funds only the maintenance and operation of the sewer collection system within the City and does not fund the maintenance and operation of either the trunk sewers or wastewater treatment facilities.

1.2 Process for Annual Fee

The resolution adopting the Fee specified that a written report shall be filed annually with the City Clerk, which contains a description of each parcel of real property receiving the Fee and the amount of the charge for each parcel for the year, computed as described by the resolution.

The City Clerk shall give notice of the filing of the written report, and of the time and place of the public hearing thereon. The City Council shall hear and consider all objections or protests, if any. Upon conclusion of the hearing, the City Council may adopt, revise, change, reduce or modify any charge or overrule any or all objections and shall make its determination upon each charge as described in said report. The City plans to continue assessing the same charge of $103.63 per sewage unit.

The Fee is collected at the same time and in the same manner as County taxes. The Fee roll is submitted each year to the Los Angeles County Auditor in August for inclusion on the Los Angeles County property tax bill.

1.3 Legislative Context

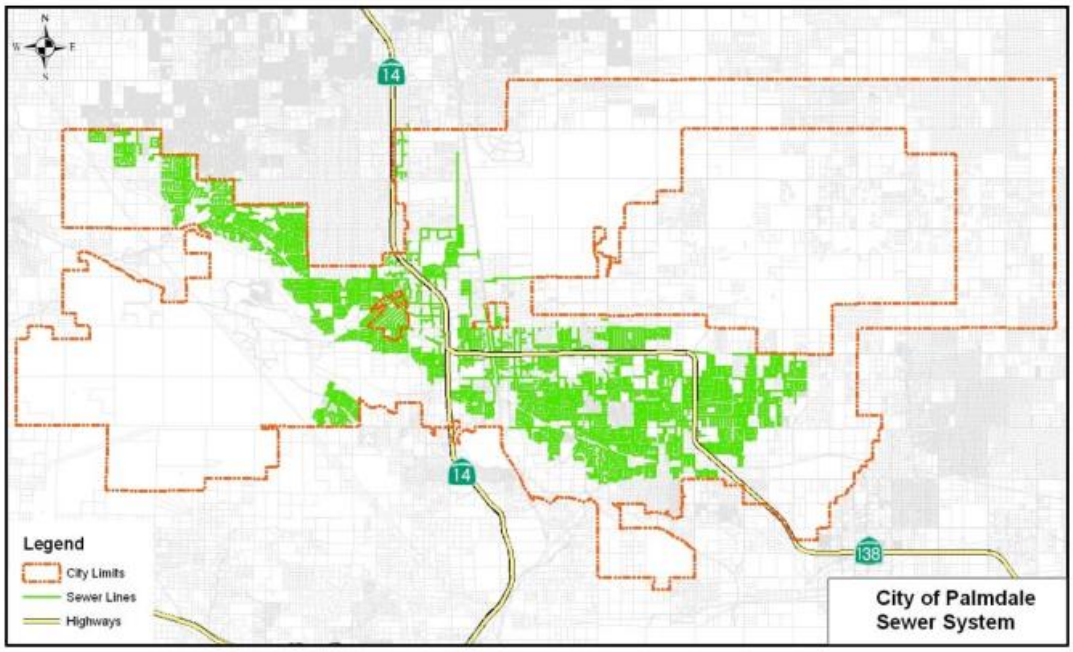
In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D, Section 6, specifically describes property related fees.

Proposition 218 provides for property-related fees to be levied to fund the cost of providing services, including sewer service, to property. Proposition 218 describes a number of important requirements, including property-owner notification and public hearings, for the imposition, increase, and extension of fees, and these requirements are satisfied by the process used to establish this Fee.

2. PLANS AND SPECIFICATIONS

The City owns approximately 400 miles of sewer mains and two pump stations. Effective July 1, 2009, the pump stations are operated and maintained by CSMD under an agreement with the City.

Sewer System Overview



2.1 Parcel Inventory

An inventory of parcels served by City sewers was obtained from CSMD in early 2008. This inventory was updated using GIS parcel and sewer main data, sewer connection permits, and aerial photographs to accurately identify parcels receiving sewer service from the City. In addition, property owners who contacted the City after receiving notice of the proposed Fee and provided evidence that the property was served by a septic system were removed from the inventory. Parcels with direct connections to trunk sewers maintained by the Los Angeles County Sanitation District ("CSD") were also removed from the inventory. As of May 2025, the inventory shows 39,923 parcels are served by City sewers. A land use breakdown of the parcels is shown in the following table, Parcels by Property Type.

Table 1. Parcel by Property Type

Property Type	Parcels
Residential	38,659
Multi-Family Residential	291
Commercial or Industrial	826
Other(1)	147
Total:	**39,923**

(1) Includes Golf Course, Government, Institutional, Parking/Storage and Vacant property types.

2.2 Property Classification

The initial property classifications for the Fee were set forth in an Engineer's Report prepared by Bartle Wells Associates dated April 2008 and subsequently updated by Palmdale City Ordinance 1361 enacted on April 1, 2009. The classifications are based on property type and land use and designate a "sewage unit" value for each property type. The April 2008 report found that there was a "reasonable relationship" between the number of sewage units assigned to each property type and the relative sewage flow from these property types but suggested that the City may wish to perform a more detailed rate study to examine and confirm these relationships.

The property classifications and sewage units contained in Palmdale City Ordinance 1361 will be used for calculation of the Fiscal Year 2025/26 Fee, and are shown in the following table, Sewage Units by Property Type.

Table 2. Sewage Units by Property Type[(1)]

Land Use	Number of Sewage Units
Residential	
Single Residential Unit – Condominium	1.00
Planned Unit Development (PUD)	1.00
Single Residential Unit	1.00
Single Residential Unit with Pool	1.00
Single Residential Unit Pool and Miscellaneous	1.00
Single Residential Unit with Spa	1.00
Single Residential Unit with Guesthouse	1.00
Other Improvements Only	1.00
Double, Duplex or Two Units	2.00
Double, Duplex or Two Units with Pool	2.00
Three Units (Any Combo)	3.00
Three Units (Any Combo) with Pool	3.00
Four Units (Any Combo)	4.00
Four Units with Pool	4.00
Five or More Apartments per Individual Residential Unit	1.00
Five or More Apartments per Individual Residential Unit with Pool	1.00
Manufactured Homes	
Manufactured Homes	1.00
Rooming/Boarding House	
Rooming/Boarding House	3.00
Manufactured Home Parks	1.00
Manufactured Home Parks with Pool	1.00
Mobile Home Park	1.00
Commercial	
Commercial – General	1.00
Vacant Parcel That Has Improvement Value Due to Existing Nonstructural Other Improvements	2.00
Stores	
Stores	1.00
Stores Combination	
Store and Office Combo	2.00
Store and Residential Combo with Lift	2.00
Store and Residential Combo	2.00
Department Store	

Land Use	Number of Sewage Units
Department Store	5.00
Discount Department Store	5.00
Building Supplies	5.00
Retail-Warehouse Combo	5.00
Department Store/Warehouse	5.00
Supermarket	
Supermarket	5.00
Supermarket (1,199 Square Feet through 6,000 Square Feet)	5.00
Shopping Center (Neighborhood)	
Shopping Center	10.00
Shopping Center with Lift	10.00
Shopping Center (Regional)	
Shopping Center	30.00
Office and Government Building	
Office and Government Building	5.00
Office and Residential (2-story)	5.00
Office Building (Loft Type Building)	3.00
Office and Residential	2.00
Hotel and Motel	
Hotel and Motel (Under 50 Rooms)	25.00
Hotel (50 Rooms and Over)	40.00
Motel (50 Rooms and Over)	40.00
Motel (50 Rooms and Over with Pool)	40.00
Professional Buildings	
Professional Building	5.00
Medical Dental Building	5.00
Medical Dental Building (2-story)	5.00
Veterinary Clinic	5.00
Restaurant, Cocktail Lounge	
Restaurant, Cocktail Lounge	5.00
Fast Food – Walk Up	2.00
Wholesale and Manufacturing Outlet	
Wholesale and Manufacturing Outlet	2.00
Bank, Savings and Loan	
Bank, Savings and Loan	1.00
Service Shop	
Service Shop	2.00
Service Station	
No Additional Services	1.00
Service Station with Lift	1.00
Convenience Store	2.00
Self-Service with Lift	1.00
Self-Service Station	1.00
Self-Service with No Additional Services	1.00
With Carwash, with Lift	5.00
With Carwash, with No Additional Services	5.00
Auto, Recreational Equipment, Construction Equipment Sales and Service	
Auto, Recreational Equipment, Construction Equipment Sales and Service	1.00
Auto Body Repair Shop	1.00
Used Car Sales	1.00
New Car Sales and Service	3.00

Land Use	Number of Sewage Units
Car Wash Only	5.00
Car Wash Only, Self-Service Type	5.00
Auto Service Centers (No Gasoline)	1.00
Parking Lot (Commercial Use Property)	
Parking Lot with Lift	0.50
Parking Lot	0.50
Lots – Commercial Parking	0.50
Parking Lot Commercial	0.50
Nursery or Greenhouse	
Nursery or Greenhouse	1.00
Vacant Land	
Vacant Parcel That Has Improvement Value Due to Existing Nonstructural Other Improvements	2.00
Industrial	
Miscellaneous Industrial	2.00
Light Manufacturing	
Light Manufacturing with Lift	5.00
Light Manufacturing	5.00
Industrial Heavy Manufacturing	100.00
Warehousing Distribution Storage	
Warehousing Distribution Storage Under 10,000 Square Feet	2.00
Warehousing Distribution Storage – 10,000 to 24,999 Square Feet	2.00
Warehousing Distribution Storage – 25,000 to 50,000 Square Feet	2.00
Warehousing Distribution Storage Over 50,000 Square Feet	2.00
Public Storage – Mini Warehouse	2.00
Food Processing Plant	
With Wireless Communication Tower	200.00
Motion Picture, Radio, TV	
General Motion Picture, Radio, TV	1.00
Lumber Yard	
Lumber Yard	1.00
Mineral Processing	
Mineral Processing General	2.00
Mineral Processing Cement/Gravel	2.00
Parking Lots – Industrial Use Open Storage	0.50
Vacant Parcel That Has Improvement Value Due to Existing Nonstructural Other Improvements	1.00
Open Storage	1.00
Irrigated Farms	
Private Rural Pumping Plant	0.50
Irrigated Farm – Field Crops	0.50
Irrigated Farm – Fruit and Nuts	0.50
Irrigated Farm – Feed Lots	0.50
Dry Farm	
Dry Farm – Fruit and Nuts	0.50
Dry Farm – Pasture	0.50
Dry Farm – Field Crops	0.50
Recreational	
Theatre	2.00
Bowling Alleys	
Bowling Alley	5.00

Land Use	Number of Sewage Units
Clubs, Lodge Halls, Fraternal Organizations	
Clubs, Lodge Halls, Fraternal Organizations	2.00
Athletic and Amusement Facilities	
Athletic and Amusement Facilities	10.00
Commercial Swimming Pools, School	5.00
Athletic and Amusement Facilities – Gyms	2.00
Athletic and Amusement Facilities – Tennis	2.00
Golf Courses	3.00
Church	
Church	2.00
Church Parking Lot	0.50
School	
School	5.00
Hospital	
Hospital	100.00
Convalescent Hospital, Nursing Home	50.00
Homes for Aged and Others	
Homes for Aged and Others	10.00
Cemetery, Mausoleum, Mortuary	
Cemetery, Mausoleum, Mortuary	1.00
Cemetery, Mausoleum	1.00
Miscellaneous	
State Assessed Property Utility, Commercial and Mutual: Pumping Plant	5.00

(1) Source: Palmdale Municipal Code 13.05.130 Table A – Sewage Units for designated land uses.

3. ESTIMATE OF COSTS

Revenue from the collection of the Fee will fund expenses incurred by the City related to the operation and maintenance of its sewer collection system. These expenses include costs for labor, engineering and support staff time, staff and operating facilities, materials, equipment, operation, and maintenance of the sewer collection system. The City must also generate revenue to perform repairs, rehabilitation, and replacement of aging sewer mains. Capital expenditures are included in the estimated costs.

An initial five-year estimate of expenses required to operate and maintain the City sewer collection system was developed by City staff. These expenses include salaries and benefits for City staff that will be performing the maintenance and operational activities, professional engineering consulting services, and equipment purchases.

As previously mentioned, Bartle Wells Associates prepared a Rate Study in April 2020 to review the City revenues and expenses, in order to evaluate if the current Fee rate of $103.63 per sewage unit is adequate or if it should be increased. The Rate Study shows that the City currently receives enough funding from the annual Fee to provide its operation and maintenance of the sewer collection system, and to perform sewer related repairs and expansion as needed. It was also anticipated that the current sewage unit charge of $103.63 will be sufficient for the following five years. The City plans to continue assessing the same charge of $103.63 per sewage unit.

3.1 Estimated Costs and Revenue Required

The estimated cost of providing sewer collection services for Fiscal Year 2025/26, as prepared by City staff, and total estimated revenues, are shown in the following table, Summary of Estimated Costs and Revenues for Fiscal Year 2025/26.

Table 3. Summary of Estimated Costs and Revenues for Fiscal Year 2025/26

Description	Proposed FY 2025/26 Costs[1]
Revenues	
Sewer Service Charges	$5,579,283.57
Other Revenues	
Development Fees	$804,210.00
Sewer Service Charges – Late Payments Fees and Delinquencies	20,400.00
Licenses & Permits	113,600.00
Finance - Pooled Cash	87,000.00
Subtotal – Other Revenues	*$1,025,210.00*
Total Revenues	**$6,604,493.57**
Expenses	
Operation and Maintenance Costs	
Personnel	$1,939,050.00
Training and Meetings	39,000.00
Operating Expenses	2,476,330.00
Capital Outlay	0.00
Total Expenses	**$4,454,380.00**
Capital Projects	
Ongoing/Carryforwards	$9,001,440.00
New	1,364,800.00
Total Capital Projects	**$10,366,240.00**
Reserves	
Capital Assets Replacement Fund (CARF) Additions[2]	$1,320,898.71
Operating Reserve (Total Exp * 3/12)[3]	1,113,595.00
Total Reserves	**$2,434,493.71**

(1) Per updated budget provided by City Staff in May 2025.

(2) The Capital Assets Replacement Fund (CARF) is a reserve fund to be used for emergencies, replacement of aging facilities such as pipe replacement, lift stations, manholes, equipment, facilities, future expansion, and other miscellaneous items required for the operation of the sanitary sewer collection system. The purpose of CARF is to be available at all times for any unforeseen emergencies, repairs and/or infrastructure upsizing. The fund is automatically replenished to remain available for future emergencies as part of the responsible maintenance of the sewer system.

(3) The Operating Reserve is a three-month reserve fund needed to operate the sanitary sewer collection system. This is a revolving balance that is always available and replenished as used.

Based on the estimated costs and revenues, as detailed in the table above, the allocation of the costs per sewage unit is shown in the following table, Budget Allocation to Property for Fiscal Year 2025/26.

Table 4. Budget Allocation to Property for Fiscal Year 2025/26

Description	Proposed FY 2025/26 Costs[1]
Budget Allocation to Property	
Expenses	$4,454,380.00
Contribution from Reserves (Expenses minus Revenues)	2,150,113.57
Other Revenues	(1,025,210.00)
Total	**$5,579,283.57**
Sewer Collection Fee	
Sewage Units	53,838.5
Cost Per Sewage Unit	$103.63
Total Budget[2]	**$5,579,283.57**

(1) Per updated budget provided by City Staff in May 2025.
(2) Includes rounding.

4. METHOD AND RATE OF CALCULATION

Determination of the Fee for each parcel served by the City sewer system is a two-part process:

- First, each parcel is assigned the appropriate number of sewage units based on the property type and land use of the parcel. The sewage units are listed in Table 2. Sewage Units by Property Type and correspond to the quantity of wastewater that a parcel discharges to the sewer collection system. One sewage unit is a benchmark value representing the quantity of wastewater discharged by a typical single-family residence. Since the Fee funds the maintenance and operation of the sewer collection system, the quantity of wastewater is of primary interest while the quality of wastewater has little or no effect on system operation. Therefore, the Fee is apportioned based on the quantity of wastewater conveyed from a parcel.
- The next step is to determine the total revenue required and the number of sewage units for parcels served by the City's sewer collection system. The total revenue required is $5,579,283.57 as shown in Table 4. Budget Allocation to Property for Fiscal Year 2025/26. There are currently 53,838.5 sewage units within the area served by the City sewer collection system. Therefore, the Fee for Fiscal Year 2025/26 is $103.63 per sewage unit.

This rate of $103.63 per sewage unit remains unchanged and is the same rate used since Fiscal Year 2010/11, as it was specified in the notice mailed to property owners in 2008, as well as the April 2008 Engineer's Report referenced in Resolution No. CC 2008-082 of the Palmdale City Council, dated June 18, 2008. Furthermore, the rate per sewage unit is also supported by the Bartle Wells Associates Rate Study dated April 2020.

This Fee represents the proportional cost of service attributable to each parcel as specified in Article XIII D, Section 6(b)(3) of the California State Constitution which specifies that:

> *The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.*

Fees for sewer collection are "property-related fees and charges" as described in Article XIII D of the California State Constitution.

5. SEWER FEE PARCEL LISTING

The parcel listing is a listing of the Fee apportioned to each lot or parcel, as shown on the last equalized roll of the County Assessor. The parcel listing for Fiscal Year 2025/26 is on file with the City Engineer and is incorporated by reference herein and made part of this Report.

The following table summarizes the Fiscal Year 2025/26 Sewer Fee:

Table 5. Fiscal Year 2025/26 Sewer Fee

Description	Parcels	Sewage Units	FY 2025/26 Fee Per Sewage Unit	FY 2025/26 Fee Amount (1)
Sewer Collection Service Charge	39,923	53,838.5	$103.63	$5,579,283.57

(1) Includes rounding.