PALMDALE

a place to call home

CITY COUNCIL
SUCCESSOR AGENCY
HOUSING AUTHORITY
PALMDALE AIRPORT AUTHORITY
PALMDALE FINANCING AUTHORITY
CITY COUNCIL CHAMBER
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550
TUESDAY, MAY 5, 2026
5:00 PM
www.cityofpalmdaleca.gov

WELCOME

LEGISLATIVE BODY

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

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Translation QR Code.
Translation QR Code.pdf

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.

Public Comment Information
Members of the public may speak for up to **three (3) minutes** on the Consent Calendar, Public Hearings, Appointments, New Business, and Closed Session items. To address the Legislative Body on any agendized item, please complete a speaker card for the City Clerk and indicate the item you wish to speak on. Speaker cards are available in the foyer of the Council Chambers.

Please follow these guidelines to ensure the meeting runs smoothly:

- All comments must be respectful and courteous.
- Comments that are personal, threatening, obscene, insulting, or that attack others or berate differing viewpoints will not be allowed.
- Individuals who violate these rules or disrupt the meeting will be ruled out of order by the Chair and must immediately stop speaking.
- Disruptive individuals may be asked to leave the meeting.

1. **CALL MEETING TO ORDER**

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

2. **ROLL CALL**
   MAYOR OHLSEN, MAYOR PRO TEM BISHOP, COUNCILMEMBERS LOA, BETTENCOURT, ALARCÓN
   COMMISSIONERS FRAGA-SAENZ, BETTS

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

4. **PRESENTATIONS**

   4.1 City of Palmdale Veteran of the Year Award.

   4.2 Commendation to Sophia Reyes in honor of her retirement from the City of Palmdale.

5. **NON-AGENDA PUBLIC COMMENTS - Now is the time for public participation.**

6. **HOUSING AUTHORITY CONSENT CALENDAR - Now is the time for public participation**

   All matters listed under the Housing Authority Consent Calendar will be enacted by one motion unless an item(s) is pulled by Authority, 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 Approve the minutes from the previous meeting.
HA Mins 03 03 2026.docx

7. **CONSENT CALENDAR - Now is the time for public participation**

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.

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 monthly and quarterly investment activity reports for March 2026.
SR Monthly and Quarterly Investment Reports March 2026.docx
Rpt. Monthly and Quarterly Investment Reports March 2026.pdf

7.3 Adopt Resolution No. CC 2026-026, 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 repealing Resolution No. CC 2025-045; and adopt Resolution No. SA 2026-003, 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 repealing Resolution No. SA 2025-002.
SR Check Signers City and SA.docx
Reso. No. CC 2026-026 Check Signers City.docx
Reso. No. SA 2026-003 Check Signers SA.docx

7.4 Approve Agreement with TK Elevator Corporation for elevator modernization services for a total not to exceed amount of $162,435 for a term of one year.
SR Agrmt No. A-9116 with TK Elevator Corporation.docx
Agrmt No. A-9116 with TK Elevator Corporation.pdf
Sourcewell Contract No. 050224-TKE.pdf

7.5 Approve Construction Agreement with CEM Construction Corporation for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project, for a total not to exceed amount of $10,995,022 for a term of 251 working days from the date of the Notice to Proceed.
SR Agrmt No. A-9800 with CEM Construction Corporation.docx
Agrmt No. A-9800 with CEM Construction Corporation.pdf
Proposal.pdf
Fee Schedule.pdf

Location Map.pdf

7.6 Approve Agreement with Willdan Engineering for Construction Management and Observation Services for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project, for a total not to exceed amount of $877,190 for a term of 251 working days from the date of the Notice to Proceed.

SR Agrmt No. 9785 with Willdan Engineering.docx
Agrmt No. A-9785 with Willdan Engineering.pdf
Proposal.pdf
Fee Schedule.pdf
Site Map.pdf

7.7 Approve Construction Agreement with RG General Engineering, Inc., for PN 839, McAdam Park Improvement Project, for a total not to exceed amount of $8,048,897 for a term of 250 working days from the date of the Notice to Proceed.

SR Agrmt No. A-9824 RG General Engineering Inc.docx
Agrmt No. A-9824 RG General Engineering Inc.pdf
Proposal.pdf
Fee Schedule.pdf

7.8 Approve Construction Agreement with Coast Construction Group for PN 854, Palmdale Playhouse ADA Project, for a total not to exceed amount of $264,373.80 for a term of 50 working days from the date of the Notice to Proceed.

SR Agrmt No. A-9630 with Coast Construction Group.docx
Agrmt No. A-9630 with Coast Construction Group.pdf
Proposal.pdf
Fee Schedule.pdf
Project Map.pdf

7.9 Approve Agreement with Paragon Partners Consultants, Inc., for Right-of-Way Engineering Services, for PN 914, Rancho Vista Blvd. Grade Separation Project, for a total not to exceed amount of $691,006 for a term of two years from the date of the Notice to Proceed.

SR Agrmt No. A-9837 with Paragon Partners Consultants Inc.docx
Agrmt No. A-9837 with Paragon Partners Consultants, Inc.pdf
Proposal.pdf
Fee Schedule.pdf
Location Map.pdf

7.10 Approve Construction Agreement with Vance Corporation for PN 917A, Avenue R Phase I from 25th Street East to Tackstem Avenue, for a total not to exceed amount of $12,777,831.62 for a term of 120 working days from the date of the Notice to Proceed.

SR Agrmt No. A-9799 with Vance Corporation for PN 917A.docx

Agrmt No. A-9799 with Vance Corporation.pdf
Proposal.pdf
Fee Schedule.pdf
Location Map.pdf

7.11 Approve Agreement with Z&K Consultants for Construction Management and Observation Services for PN 917A, Avenue R from 25th Street East to Tackstem Avenue Project, for a total not to exceed amount of $559,257.60 for a term of 365 calendar days from the date of the Notice to Proceed.

SR Agrmt No. A-9861 with Z&K Consultants.docx
Agrmt No. A-9861 with Z&K Consultants.pdf
Proposal.pdf
Fee Schedule.pdf
Site Map.pdf

7.12 Approve Project Authorization Agreement with NBS Government Finance Group for Annual Assessment and Special District Levy Administration Services for a total not to exceed amount of $531,450 for a term of thirty-eight (38) months.

SR Agrmt No. A-8883-E with NBS Government Finance Group.docx
Agrmt No. A-8883-E with NBS Government Finance Group.pdf
Scope of Services.pdf
Compensation for Services.pdf
Agrmt No. A-8883 with NBS Government Finance Group.pdf

7.13 Approve Construction Agreement with Calmex Engineering, Inc., for PN 869-A, Arterial Road Rehabilitation Project at Palmdale Blvd. for a total not to exceed amount of $4,581,216 for a term of 60 working days from the date of the Notice to Proceed.

SR Agrmt No. A-9310 with Calmex Engineering Inc.docx
Agrmt No. A-9130 with Calmex Engineering Inc.pdf
Proposal.pdf
Fee Schedule.pdf
Site Map.pdf

7.14 Approve Requisition with Plumber's Depot, Inc., for a GapVax Combination Truck for a total not to exceed amount of $932,482; and approve Requisition with National Auto Fleet for a Ford F-600 Dump Truck for a total not to exceed amount of $133,358.

SR Req. No. 261041 with Plumbers Depot Inc. and Req. No. 261042 with National Auto Fleet.docx
Req. No. 261041 with Plumbers Depot Inc.pdf
Req. No. 261042 with National Auto Fleet.pdf
Sourcewell Contract No. 101221-GPV.pdf
Sourcewell Contract No. 081325-NAF.pdf

7.15 Adopt Resolution No. CC 2026-019, a Resolution of the City Council of the City of

Palmdale, adopting a list of projects for Fiscal Year 2026-27 funded by Senate Bill 1: The Road Repair and Accountability Act of 2017.
SR Reso. No. CC 2026-019.docx
Reso. No. CC 2026-019.docx

7.16 Adopt Resolution No. CC 2026-020, a Resolution of the City Council of the City of Palmdale, approving the application for local streets and roads funds authorized under Article 8 of the Transportation Development Act.
SR Reso. No. CC 2026-020.docx
Reso. No. 2026-020.pdf
TDA Claim forms FY 2026.pdf

7.17 Adopt Resolution No. CC 2026-021, a Resolution of the City Council of the City of Palmdale, California, calling for the holding of a General Municipal Election to be held on Tuesday, November 3, 2026, for the election of certain officers as required by the provisions of the City of Palmdale Charter; Adopt Resolution No. CC 2026-022, a Resolution of the City Council of the City of Palmdale, California, requesting the Board of Supervisors of the County of Los Angeles to consolidate a General Municipal Election to be held on Tuesday, November 3, 2026, with the Statewide General Election to be held on the same date pursuant to Section 10403 of the Elections Code; and, Adopt Resolution No. CC 2026-024, a Resolution of the City Council of the City of Palmdale, California, adopting regulations for Candidates for Elective Office pertaining to Candidate Statements submitted to the voters at the General Municipal Election to be held on Tuesday, November 3, 2026.
SR Resos. Initiating Nov 3 2026 Election.docx
Reso. No. CC 2026-021.docx
Reso. No. CC 2026-022.docx
Reso. No. CC 2026-024.docx

7.18 Approve the minutes from the previous meeting.
Mins 04 07 2026.pdf

8. **PUBLIC HEARING - Now is the time for public participation. Each public hearing will have its own public testimony.**

8.1 Adopt Resolution No. CC 2026-027, a Resolution of the City Council of the City of Palmdale, approving the Fiscal Year 2026-27 Annual Action Plan for use of Community Development Block Grant (CDBG) and HOME Entitlement Funds.
SR Reso. No. CC 2026-027, 2026-27 Annual Action Plan.docx
Reso. No. CC 2026-027.docx
Exh A - Reso. No. CC 2026-027.docx

8.2 Adopt Resolution No. CC 2026-025, a Resolution of the City Council of the City of

Palmdale approving MOD 26-0010 amending a previously approved density bonus agreement 25-0003 (A-9355), to facilitate the construction of 272-Unit multi-family residential development on two vacant parcels totaling approximately 9.8 acres located at the northwest corner of East Avenue Q and 25th Street East, and authorize the City Manager or his designee to exercise the option to amend the agreement as necessary, including minimal and /or non substantive changes (APNS: 3022-012-036 and -037).

SR Reso. No. CC 2026-025 MOD 26-0010.docx
Reso. No. CC 2026-025.docx
Exh A Reso. No. CC 2026-025 Legal Description for MOD 26-0010.docx
Exh B Reso. No. CC 2026-025 Aerial Map for MOD 26-0010.docx
Exh C Reso.No. CC 2026-025 General Plan Consistency for MOD 26-0010.docx
Exh D Reso. No. CC 2026-025 PMC Standards for MOD 26-0100.docx
Exh E Reso. No. CC 2026-025 Density Bonus Agreement.docx

8.3 Adopt Ordinance No. 1667, an Ordinance of the City Council of the City of Palmdale approving Zoning Ordinance Amendment 26-0002 to modify requirements related to Accessory Dwelling Units and Junior Accessory Dwelling Units to ensure compliance with state law and find the amendment is exempt from environmental review.

SR Ord. No. 1667.docx
Ord. No. 1667.docx
Reso. No. PC-2026-003 Signed.pdf

8.4 Adopt Resolution No. CC 2026-023, a Resolution of the City Council of the City of Palmdale approving the issuance of tax-exempt and/or taxable revenue obligations by the California Enterprise Development Authority (CEDA) in an aggregate principal amount not to exceed $2,300,000 for the purpose of financing, refinancing and/or reimbursing the cost of acquisition, construction, installation, furnishing and equipping of healthcare facilities for the benefit of Bartz-Altadonna Community Health Center and/or a related successor entity.

SR Reso. No. CC 2026-023 TEFRA Bartz-Altadonna.docx
Reso. No. CC 2026-023 TEFRA Bartz-Altadonna.docx

9. **NEW BUSINESS CC/SA - Now is the time for public participation.**

9.1 Adopt Resolution No. CC 2026-016, a Resolution of the City Council of the City of Palmdale approving the Five-Year Public Art Work Plan for projects in the City of Palmdale in accordance with Chapter 15.01 of the Palmdale Municipal Code.

SR Five Year Public Art Work Plan.docx
Reso. No. CC 2026-016.docx
Five-Year Public Art Work Plan.pdf
PPT Five-Year Public Art Work Plan.pdf

9.2 Pavement Management Plan (PMP).

PPT Pavement Management Program PMP.pptx

9.3 Receive and file the City of Palmdale's 2026-31 Five-Year Capital Improvement Plan.

SR Receive and File Five-Year Capital Improvement Plan.docx
FY 2026 Five-Year CIP Plan.pdf
Reso. No. PC-2025-021.pdf

9.4 Adopt Resolution No. SA 2026-004, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale authorizing the issuance and sale of tax allocation bonds to refund obligations of the former Community Redevelopment Agency of the City of Palmdale, and approving related documents and actions.

SR Reso. No. SA 2026-004.docx
Reso. No. SA 2026-004.docx
Agrmt A-9841 Indenture of Trust.docx
Agrmt A-9842 Bond Purchase Agreement.docx
Municipal Advisor Analysis.pdf

10. **JOINT NEW BUSINESS CC/SA/HA/IDA/PAA/PFA - Now is the time for public participation.**

10.1 Presentation of the City of Palmdale Draft Budget for Fiscal Year 2026-27.

SR FY 2027 Draft Budget.docx
Rpt. Draft Budget FY 2026-27.pdf
PPT Draft Budget FY 2026-27.pdf

11. **CITY MANAGER'S REPORT**

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

13. **CLOSED SESSION - Now is the time for public participation.**

PRESENTATION BY CITY ATTORNEY

13.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Concerning CV Communities, LLC v. Antelope Valley-East Kern Water Agency, et al.
Los Angeles Superior Court 20STCV10953
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

13.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Ricky Thorstensen v. City of Palmdale, et al.
Los Angeles Superior Court 22STCV29463
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

13.3 CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Initiation of litigation: (3 cases)
This closed session is being held pursuant to the authority of California Government Code Section 54956.9, paragraph (4) of subdivision (d).

13.4 CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Salvador Mendez, City Manager, and Linda Daube, Special Counsel, Janelle Samson, Deputy City Manager, and Yvette Barrios, Director of Human Resources
Employee organization: Teamsters Local 986
This closed session is being held pursuant to the authority of California Government Code Section 54957.6.

13.5 PUBLIC EMPLOYMENT
Title: City Attorney Recruitment
This closed session is being held pursuant to the authority of California Government Code Section 54957.

14. **ANNOUNCEMENT BY CITY ATTORNEY**

15. **ADJOURN** meeting to June 2, 2026, at 5:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.



https://attend.wordly.ai/join/SLOR-7400

MINUTES
CITY COUNCIL/SA/HA/IDA/PAA/PFA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MARCH 3, 2026

www.cityofpalmdaleca.gov

1) CALL MEETING TO ORDER

Mayor Ohlsen 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 OHLSEN, MAYOR PRO TEM BISHOP, COUNCILMEMBERS LOA, BETTENCOURT, ALARCÓN COMMISSIONERS FRAGA-SAENZ, BETTS

PRESENT: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz.
ABSENT: Dianne Betts.

3) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

Commissioner Fraga-Saenz led the Pledge of Allegiance, followed by a moment of silence.

4) PRESENTATIONS

4.1) Coffee4Vets presentation to the City of Palmdale for supporting veterans in the Antelope Valley.

Coffee4Vets made a presentation to the Council recognizing their support for veterans in the Antelope Valley.

The Council expressed gratitude and reiterated their commitment to honoring veterans.

5) NON-AGENDA PUBLIC COMMENTS

Chris Perry, Government Relations Manager for Southern California Edison, introduced himself as the new representative for Antelope Valley.

Jason Zink discussed the placement of non-agenda public comments, advocacy for super commuters, street-sweeping practices, discussed the electricity rates, the Measure AV budget presentation, city street repaving, and infrastructure improvements.

Representatives from the cast of Frozen invited Council and the public to the performance at the Palmdale Playhouse.

On behalf of the Palmdale Freedom Coalition, Rich Gallego discussed the 11.25% sales tax burden on residents and requested affordable solutions for families.

6) HOUSING AUTHORITY CONSENT CALENDAR

6.1) Approve the minutes from the previous meeting.

Motion: Approve all items listed on the Housing Authority Consent Calendar.
Moved by Christina Fraga-Saenz, seconded by Austin Bishop.

Vote: Motion carried (6-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz.
Absent: Dianne Betts

7) CONSENT CALENDAR

Jason Zink discussed a previous software purchase, Agenda Items 7.5 and 7.8, and Avenue T.

The following items were pulled: 7.3, 7.4, 7.5, 7.6, 7.8, and 7.10.

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 Monthly Investment Reports for January 2026.

7.3) Approve agreement with Euna Solutions, Inc., for Budget Management and Publishing Software for a total not to exceed the amount of $263,225 for a three-year term with an option to extend two one-year terms.

Director of Operations Samson presented the staff report.

Councilmember Alarcón requested clarification on the selection process of the awarded proposer over local vendors. Director Samson explained the evaluation and selection process.

Motion: Approve agreement with Euna Solutions, Inc., for Budget Management and Publishing Software.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

7.4) Approve agreement and requisition with Cashel Corporation dba Integrated Media Systems (IMS) for Council Chambers broadcast and audiovisual system upgrade project for a combined not to exceed amount of $487,570 (Agreement and contingency totaling $260,894, and Requisition totaling $226,675) for a term of one year.

Director of Operations Samson presented the staff report.

Councilmember Loa asked why the item was not issued as a request for bids. Director Samson stated that the City relied on the "best interest of the City" clause in PMC Section 3.08.140 due to the timeline.

Councilmember Alarcón voiced concerns about the agreement and requisition. Staff explained that both the professional services agreement and the equipment purchase will be funded through PEG (Public, Educational, and Government access) funds.

Mayor Pro Tem Bishop inquired whether the upgrade may cause downtime in the Council Chamber. Director Samson replied that disruptions are not expected, although a temporary relocation could be considered if necessary.

Motion: Approve agreement and requisition with Cashel Corporation dba Integrated Media Systems (IMS) for Council Chambers broadcast and audiovisual system upgrade project.
Moved by Laura Bettencourt, seconded by Austin Bishop.

Vote: Motion carried (4-1)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt.
No: Andrea Alarcón.

7.5) Receive the summary of the 2025 Annual Housing Element Progress Report.

Planning Manager Magaña presented the staff report.

Councilmember Loa questioned the progress outlined in the Housing Element Progress Report and expressed concerns that the City's permitting process might discourage development. Planning Manager Magaña assured Council that they work with developers and seek specific feedback to help improve processes.

Councilmember Bettencourt asked whether state housing requirements account for local environmental constraints that can increase development costs and delay timelines, such as Joshua tree protections. City Attorney Severino confirmed that such environmental regulations can significantly affect development.

Councilmember Alarcón noted discrepancies in the staff report tables and requested corrections before submitting them to the State. She asked for clarification on the difference between 1,266 proposed units and 749 approved units, a follow-up on the 497-unit discrepancy, and confirmation that no housing

applications were denied.

Planning Manager Magaña explained that the state-provided spreadsheet automatically populates submitted data and noted that some units may be at different stages of development. City Manager Mendez explained that projects often stall due to financing, environmental concerns, or other factors outside the City's control, not because of the City's rejection of applications.

There was further Council discussion on entitled housing units in development, support for new housing applications, the city's developer-friendly approach, and city policies related to new developments.

Planning Manager Magaña stated that the Housing Element Progress Report is due to the State by April 1 and agreed to review the data and clarify the reported numbers.

Motion: Receive the summary of the 2025 Annual Housing Element Progress Report.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (4-1)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt.
No: Andrea Alarcón.

7.6) Adopt Resolution No. CC 2026-013, a Resolution of the City Council of the City of Palmdale authorizing the City Manager's signature authority for a not to exceed amount of $350,000 per transaction for the contracting of performers or entertainment services and repealing Resolution No. CC 2025-058.

Parks and Recreation Director Smith presented the staff report.

The item was pulled by Councilmember Alarcón to address concerns about the increase in the City Manager's contracting authority.

Councilmember Bettencourt asked City Manager Mendez about his current authority outside of entertainment, recognizing the need for higher limits to act quickly when securing high-quality entertainment for city events, while noting her initial concern about the increase. City Manager Mendez responded.

Mayor Ohlsen and Mayor Pro Tem Bishop discussed attracting and improving entertainment, boosting attendance, and providing advance notice of scheduled performances. Director Smith explained contractual obligations, and booking agreements often include radius clauses and conditions that may limit the City's ability to give advanced notice.

Motion: Adopt Resolution No. CC 2026-013, authorizing the City Manager's signature authority for a not to exceed amount of $350,000 per transaction for the contracting of performers or entertainment services.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

7.7) Approve agreement with FS Contractors, Inc., for Concrete Removal and Replacement Services at City parks and facility grounds for a total not to exceed amount of $147,700 for a term of one year.

7.8) Approve agreements with Mariposa Tree Management, Inc., United Pacific Services, Inc., and West Coast Arborists, Inc., for professional arboricultural services for a combined not to exceed amount of $3,825,000 ($1,275,000 each) over a term of three years with two optional one-year extensions.

Public Works Director Torres presented the staff report.

Councilmember Loa pulled the item to discuss the bid information, agreed with the process and contractor expertise, and requested consistent bid materials.

Mayor Pro Tem Bishop inquired about the number of trees in Palmdale. Director Torres responded that there are 24,000.

Councilmember Bettencourt asked about prior local tree service providers. Deputy Director Livingston responded and also stated that using three firms will help address deferred maintenance and stabilize the program while the City evaluates costs and considers future options, such as hybrid or in-house services.

Councilmember Bettencourt proposed a future discussion to provide assistance to elderly, disabled, veteran, or low-income residents facing high private tree-trimming costs to reduce fire risks. Deputy Director Livingston agreed to explore potential funding options.

Council and the union representative Chief Steward Armstrong engaged in further discussion regarding the expansion of in-house services while ensuring accountability in current contracts.

Motion: Approve agreements with Mariposa Tree Management, Inc., United Pacific Services, Inc., and West Coast Arborists, Inc., for professional arboricultural services.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

7.9) Approve first amendment to agreement with Psomas for Design Services for PN 906, Avenue T Street Improvement Project, increasing the agreement amount by $147,810 for a total not to exceed amount of $948,951 for a term of eighteen months.

7.10) Approve the minutes from the previous meeting.

Councilmember Alarcón requested a review of a motion under section 9 in the 2/3/2026 minutes.

Motion: Approve both minutes contingent upon the City Clerk's review of the 2/3/2026 meeting motion in section 9 related to City Manager interviews.
Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

Motion: Approve all items listed on the agenda with the exception of items 7.3, 7.4, 7.5, 7.6, 7.8, and 7.10.
Moved by Richard J. Loa, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

8) NEW BUSINESS - Now is the time for public participation.

8.1) Approve Employment Agreement between the City of Palmdale and Salvador Mendez to serve as City Manager.

City Attorney Severino presented the staff report.

Councilmember Loa and Councilmember Alarcón expressed concerns about the background report of City Manager Mendez and made a motion to add it to the Closed Session.

Mayor Pro Tem Bishop made a statement and spoke in support of the appointment of City Manager Mendez.

Mayor Ohlsen called for public comments.

The following individuals provided public comments: David Harris, Jason Zink, and Rich Gallego.

Mayor Ohlsen closed public comments.

There was further Council discussion about the appointment and background check of City Manager Mendez. Mayor Pro Tem Bishop asked whether a background check was conducted when City Manager Mendez was Assistant City Manager, and City Attorney Severino responded, "Yes."

A substitution motion was made by Mayor Pro Tem Bishop.

Motion: Approve Employment Agreement between the City of Palmdale and

Salvador Mendez to serve as City Manager.
Moved by Austin Bishop, seconded by Eric Ohlsen.

Vote: Motion carried (3-2)
Yes: Eric Ohlsen, Austin Bishop, Laura Bettencourt.
No: Richard J. Loa, Andrea Alarcón.

8.2) Adopt Resolution No. CC 2026-014, a Resolution of the City Council of the City of Palmdale Recognizing the Los Angeles County Sheriff's Department for its commitment to transparency and community trust, and expressing support for legislation promoting identification and accountability in law enforcement.

Councilmember Bettencourt recused herself from the dais.

City Attorney Severino presented the staff report.

Mayor Ohlsen called for public comments.

Public Comments: Jason Zink.

Mayor Ohlsen closed the public comments.

Mayor Ohlsen discussed a letter he sent to several state and federal officials and received a response from the California Department of Justice, which he shared with the City Attorney. He noted that the current item is limited in scope but stated the City will continue to support the Sheriff's Department, and he would like the City to pursue initiatives that further benefit residents.

Councilmember Alarcón discussed her original motion to review the Huntington Park resolution and consider adopting similar measures and stated that the draft resolution did not reflect the actions taken by Huntington Park. She expressed concerns with the process and stated the community deserves a more comprehensive approach.

Discussion ensued among the Council regarding the item returning from the previous meeting without sufficient time for further discussion.

Councilmember Loa discussed the resolution, and concerns were raised that adopting the resolution might give residents false hope. Under the Supremacy Clause, federal authority preempts local actions in this area.

Mayor Pro Tem Bishop expressed that immigration enforcement falls outside the City's jurisdiction. He also noted potential risks, including federal scrutiny and possible funding impacts, and stated that supporting the item could create confusion or false expectations within the community. For these reasons, Mayor Pro Tem Bishop stated he would vote no.

Mayor Ohlsen and Councilmembers discussed the current resolution and agreed that it does not adequately protect the community or provide meaningful support. They emphasized the need to avoid drawing federal attention and to prioritize

services for all residents, including immigrant communities.

Motion: Deny the current resolution.
Moved by Eric Ohlsen, seconded by Austin Bishop.

Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa

Councilmembers discussed denying the current resolution and instead developing a new, substantive resolution that could include English and citizenship classes, food distribution, legal guidance, and other community services. The goal is to draft and return this proposal to Council for consideration before the July 1 start of the next fiscal year budget, with potential appropriation of resources included.

Discussion ensued, and a substitute motion was made.

Motion: Place this item on a future agenda to continue discussion and to return with a report on potential additional resources the City could provide to support the community.
Moved by Eric Ohlsen, seconded by Andrea Alarcón.

Vote: Motion Failed (2-2)
Yes: Eric Ohlsen, Andrea Alarcón.
No: Austin Bishop, Richard J. Loa.

Councilmember Bettencourt returned to the dais.

9) JOINT NEW BUSINESS CC/SA/HA/IDA/PAA/PFA

9.1) Review and Approve the Mid-Year Budget Adjustments for Fiscal Year 2025-26.

Director of Operations Samson presented the staff report.

Mayor Ohlsen called for public comments.

Public comments: Jason Zink.

Councilmember Alarcón asked about the special events the City helps fund, requested the amount spent on them, that the information be publicly available, and about the Measure AV and Measure PD schedules. Director Samson stated that Measure AV required an oversight committee, while Measure PD did not.

Discussion ensued between Council and staff regarding capital improvement projects, the tax rate, and AVTA contributions.

Mayor Pro Tem Bishop made a statement in support of the budget adjustments.

Motion: Review and Approve the Mid-Year Budget Adjustments for Fiscal Year 2025-26.

Moved by Christina Fraga-Saenz, seconded by Laura Bettencourt.

Vote: Motion carried (6-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz.

Motion: Review and Approve the Mid-Year Budget Adjustments for Fiscal Year 2025-26.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

10) CITY MANAGER'S REPORT

City Manager Mendez thanked the Council for his appointment as City Manager.

He provided an update on several upcoming events, including: Women's Symposium at Legacy Commons on Saturday, March 21; Contra Tiempo joyUS justUs performances on Tuesday, March 24, and Thursday, March 26, at Sam Yellen Park; Springfest and Egg Hunt on March 28 at Palmdale Amphitheater; Cesar Chavez Day on Saturday, March 28 at Sam Yellen Park; Frozen performance from March 20 to 29 at the Palmdale Playhouse; Business Workshop on March 24 at the Development Services Building; 2026 Season DryTown tickets now available; Waste Management shred event on March 14; Veteran of the Year Award nominations; Mural projects surveys on the City website; and introduced Michael McComas as the new Public Safety Director.

11) COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Loa requested a final report on the investigation relating to him. City Attorney Severino stated they are working diligently to complete.

Councilmember Bettencourt emphasized the importance of maintaining roads, discussed lowering Palmdale taxes, Palm Springs murals, the 250th anniversary of the United States, celebrating cultural events, reinstating Thursday Night On The Square (TNOTS), employee salary breakdowns, and interest in the Rose Parade.

Councilmember Alarcón requested a formal report from the City Attorney on the forensic accounting of the former City Manager's unilateral actions and other investigations.

Mayor Pro Tem Bishop said it was an honor and a privilege to work with the city's staff on behalf of the city's residents.

Mayor Ohlsen met with Assemblymembers and Congressmembers, had a brief meeting with the Governor, and is advocating for the super commuter and provided an update on the street sweeping signs.

Motion: Provide a list to the Council or post to the City website a breakdown of all of the cultural events that the City of Palmdale spends money on to help produce.
Moved by Laura Bettencourt, seconded by Andrea Alarcón.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

12) CLOSED SESSION

PRESENTATION BY CITY ATTORNEY

12.1) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Concerning CV Communities, LLC v. Antelope Valley-East Kern Water Agency, et al.
Los Angeles Superior Court 20STCV10953
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

12.2) CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Salvador Mendez, Interim City Manager, and Linda Daube, Special Counsel
Employee organization: Teamsters Local 986
This closed session is being held pursuant to the authority of California Government Code Section 54957.6.

12.3) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation: (1 potential case – facts and circumstances unknown to potential plaintiffs)
This closed session is being held pursuant to the authority of California Government Code Section 54956.9, paragraph (2) of subdivision (d).

12.4) PUBLIC EMPLOYMENT
Title: City Attorney Recruitment
This closed session is being held pursuant to the authority of California Government Code Section 54957.

13) ANNOUNCEMENT BY CITY ATTORNEY

12.1 - The City Council approved a settlement with the Real Estate Developers CV Communities, LLC, City Ventures LLC, and City Ventures Home Building LLC, collectively, CVC, which successfully resolves two separate legal actions, the CV, CV, AVEK et al. Action in Los Angeles and the City of Palmdale v CVC et al. action in Lancaster concerning the Joshua Ranch project's water supply. Pursuant to the terms of the agreement with CVC, the City will receive $500,000 cash and also in the Antelope Valley East Kern Water Agency, AVEK has acknowledged the transfer of 3688 acre feet of water to the City.

12.2 - There was no reportable action.

12.3 - There was no reportable action.

City Manager Mendez reported the following:

12.4 - There was no reportable action.

14) ADJOURN

Mayor Ohlsen adjourned the meeting at 9:55 pm to April 7, 2026, 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 5th day of May 2026.

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY AND QUARTERLY INVESTMENT ACTIVITY REPORTS FOR MARCH 2026**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive and file the March 2026 monthly and quarterly investment activity reports for the City of Palmdale and Successor Agency.

BACKGROUND

In accordance with Section 16 of the City and Successor Agency Investment Policy, the City Treasurer is required to prepare and present monthly and quarterly investment reports to the City Manager/Executive Director and the City Council/Board of Directors. These reports include detailed information on each investment, including the investment type, issuer name, purchase date, maturity date, amount invested, and interest rate. Reporting covers all pooled investments of the City and Successor Agency, as well as Certificates of Participation, Revenue Bonds, Tax Allocation Bonds, Assessment Districts, and Community Facilities District accounts managed by external fiscal agents.

The monthly investment reports provide an overview of the City and Successor Agency's investment activity and portfolio performance. They summarize total assets, portfolio allocations, average maturities, yields, and book values. The interest rates presented reflect the most current rates available as of the report date.

Market values for pooled City and Successor Agency investments are based on closing prices as of the report date. Pricing information is obtained from reputable sources, including the Wall Street Journal, Bloomberg Financial Markets, Capital Market Finance publications, and other reliable market data providers.

DISCUSSION

Compliance with Investment Policy

As of March, the City's total investment portfolio was valued at $323,837,254, reflecting an increase of $11,656,465 from the prior month and an increase of $5,748,972 compared to the same period last year. The month-over-month increase is attributable to interest earned and new investment purchases during the month.

The Successor Agency's portfolio had a par value of $14,610,111 as of March, representing a decrease of $921,560 from the previous month. The decrease is due to the debt service payments made during the month.

All investments are in full compliance with Section 8 of the City's Investment Policy. The portfolios consist of a diversified mix of authorized investment instruments, including Certificates of Deposit, Corporate Notes, U.S. Treasury Securities, and Government Agency Securities, each maintained within established portfolio percentage limits.

The Finance Division serves as custodian of the City and Successor Agency investment portfolios and adheres to the three primary objectives outlined in the Investment Policy:

- Safeguard principal by investing in financial instruments that mitigate the risk of market-related losses;
- Maintain sufficient liquidity to meet anticipated cash flow needs; and
- Achieve a competitive market rate of return consistent with policy constraints.

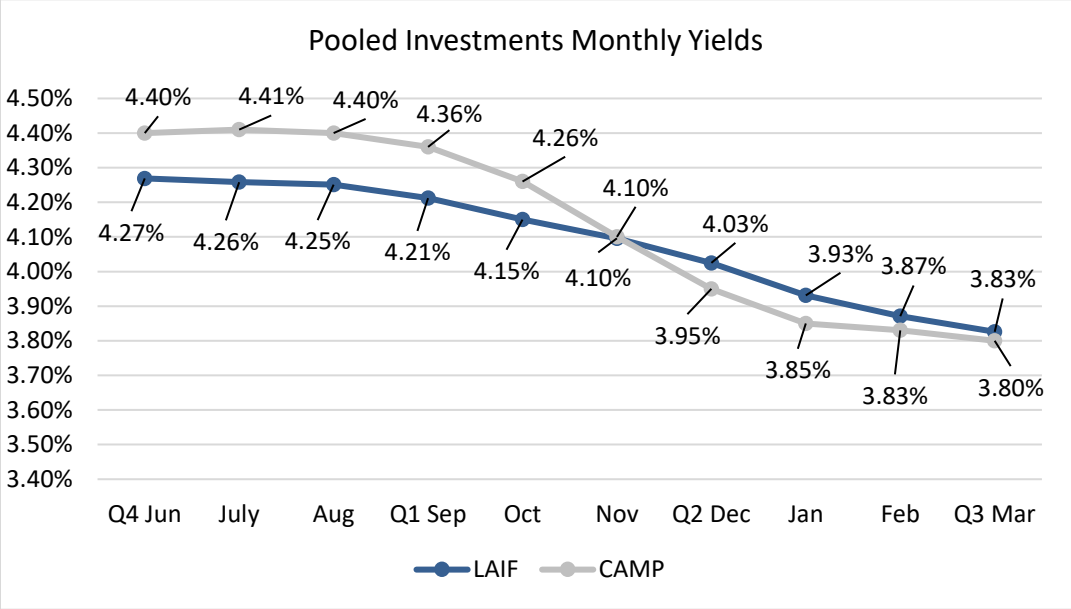
Liquidity

Maintaining adequate liquidity to support operational requirements remains a key priority of the Finance Division. To support this objective, the City and Successor Agency invest in two pooled funds: the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). These funds are designed to support daily operational needs and provide flexibility during periods of economic uncertainty. Their high liquidity ensures that both entities can meet ongoing cash flow demands.

At the end of March, the City's LAIF balance totaled $116,929,296, no changes from the prior month. The Successor Agency's LAIF balance was $4,027,756, reflecting no changes from the prior month.

The City's CAMP balance at the end of March was $54,602,460, compared to $54,427,027 in February. The increase is due to interest earned during the month.

The interest rates presented reflect the most current rates available as of the date of this report. As of March 31, 2026, LAIF and CAMP were earning 3.826 percent and 3.80 percent, respectively. At the end of February, the rates were 3.871 percent for LAIF and 3.83 percent for CAMP. One year ago, LAIF and CAMP rates were 4.313 percent and 4.47 percent, respectively.



The chart above shows the LAIF and CAMP average monthly yields from June 2025 through March 2026. 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 seeks to maintain a well-diversified investment portfolio in order to minimize exposure to risks associated with any single security type or financial institution.

The City and Successor Agency portfolios remain appropriately diversified in accordance with the Investment Policy. The accompanying monthly reports detail all investments held by both entities, including current book values as of March 31, 2026.

Based on current projections, both the City and the Successor Agency have sufficient funds to meet anticipated expenditure requirements over the next six months. The Finance Division will continue to closely monitor economic conditions and assess their potential impact on interest rates and overall portfolio performance.

Attached are summaries of the investments in the City and Successor Agency's books as of March 31, 2026.

FISCAL IMPACT

$0; There is no fiscal impact associated with the recommended action 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, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Rpt. Monthly and Quarterly Investment Reports March 2026

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

CITY OF PALMDALE INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
U.S. TREASURY SECURITIES				Yield			
01-03-24	12-31-26	CITY	912828YX2 U.S. Treasury Note	0.04	$ 5,000,000.00	$ 4,696,880.23	$ 4,848,850.00
01-03-24	06-30-27	CITY	91282CEW7 U.S. Treasury Note	0.04	5,000,000.00	4,897,630.28	4,954,900.00
01-03-24	09-30-27	CITY	91282CFM8 U.S. Treasury Note	0.04	2,500,000.00	2,523,771.66	2,522,450.00
01-08-24	06-15-26	CITY	91282CHH7 U.S. Treasury Note	0.04	5,000,000.00	5,001,760.94	5,006,000.00
12-18-24	09-30-29	CITY	91282CFL0 U.S. Treasury Note	0.39	5,000,000.00	4,977,094.45	5,022,250.00
12-18-24	10-31-29	CITY	91282CFT3 U.S. Treasury Note	0.40	5,000,000.00	4,988,321.47	5,047,050.00
12-18-24	11-30-29	CITY	91282CFY2 U.S. Treasury Note	0.39	5,000,000.00	4,942,086.29	5,021,300.00
01-02-25	12-31-29	CITY	91282CGB1 U.S. Treasury Note	0.39	3,000,000.00	2,949,835.02	3,012,300.00
11-17-25	09-30-30	CITY	91282CPA3 U.S. Treasury Note	3.63	3,000,000.00	3,015,470.91	3,001,130.25
01-23-26	06-30-29	CITY	91282CEV9 US Treasury Note	3.25	1,000,000.00	985,312.50	985,312.50
01-23-26	02-28-30	CITY	91282CGQ8 US Treasury Note	4.00	1,000,000.00	1,008,750.00	1,008,750.00
01-23-26	12-31-30	CITY	91282CJQ5 US Treasury Note	3.75	1,000,000.00	995,937.50	995,937.50
03-05-26	11-15-28	CITY	91282CPK1 US Treasury Note	3.50	2,000,000.00	1,997,812.50	1,997,812.50
03-16-26	04-15-28	CITY	91282CMW8 US Treasury Note	3.75	2,000,000.00	2,001,875.00	2,001,875.00
			TOTAL U.S. TREASURY SECURITIES		$ 45,500,000.00	$ 44,982,538.75	$ 45,425,917.75
GOVERNMENT AGENCY PAPER							
07-29-21	04-29-26	CITY	3130AN5C0 Federal Home Loan Note	1.05	$ 4,000,000.00	$ 4,010,455.13	$ 3,899,120.00
12-21-21	12-22-26	CITY	3133ENJC5 Federal Farm Credit	1.29	5,000,000.00	5,000,000.00	4,814,666.55
06-24-22	02-26-27	CITY	3130AL5A8 Federal Home Loan Note	3.33	5,000,000.00	4,479,000.00	4,758,477.85
08-17-22	10-27-26	CITY	3134GW4C7 Freddie Mac	0.80	5,000,000.00	4,539,500.00	4,800,207.95
01-06-23	02-25-27	CITY	3130AQRH8 Federal Home Loan Note	4.38	5,000,000.00	4,590,638.89	4,843,987.40
01-06-23	04-19-27	CITY	3130ARHJ3 Federal Home Loan Note	4.38	5,000,000.00	4,801,354.86	4,925,508.20
05-03-24	05-01-28	CITY	3133ERCX7 Federal Farm Credit	5.17	5,000,000.00	5,000,000.00	5,022,317.60
08-08-24	08-14-29	CITY	3134HADY6 Freddie Mac Domestic	4.00	4,000,000.00	3,946,000.00	3,971,348.28
12-03-24	12-04-29	CITY	3130B3XP3 Federal Home Loan	4.50	1,000,000.00	1,000,000.00	998,973.31
12-04-24	12-02-27	CITY	3133ERE23 Federal Farm Credit	4.32	1,000,000.00	1,000,000.00	1,003,072.14
01-27-25	07-27-27	CITY	3130B4RC7 Federal Home Loan Bank	4.50	3,000,000.00	3,000,000.00	3,019,381.53
01-28-25	07-21-27	CITY	3130B4QA2 Federal Home Loan Bank	4.55	3,000,000.00	3,000,000.00	3,003,732.24
06-13-25	10-30-28	CITY	3130B62E5 Federal Home Loan Bank	4.25	3,000,000.00	3,000,000.00	3,000,982.74
06-27-25	04-30-29	CITY	3136GAGW3 Fannie Mae	4.75	5,000,000.00	5,000,000.00	4,993,056.90
09-08-25	10-08-27	CITY	3135G05Y5 Fannie Mae NTS	3.31	2,000,000.00	1,897,625.25	1,897,625.25
09-17-25	09-15-28	CITY	3133ETXV4 Federal Farm Credit Bond	3.83	1,400,000.00	1,402,403.14	1,400,000.00
11-17-25	11-06-30	CITY	3130B8BF8 Federal Home Loan	3.95	830,000.00	833,082.01	832,080.25
01-06-26	06-26-30	CITY	3133ET5K9 Federal Farm Credit Bank	4.07	3,000,000.00	2,998,500.00	2,998,500.00
01-06-26	01-06-31	CITY	3136GCCY9 Fannie Mae	4.00	4,000,000.00	4,000,000.00	4,000,000.00
03-05-26	03-05-29	CITY	3133EWFX3 Federal Farm Credit	3.70	2,000,000.00	1,997,000.00	1,997,000.00
03-10-26	09-10-29	CITY	3130B9RD4 Federal Home Loan	4.00	2,000,000.00	2,000,000.00	2,000,000.00
03-10-26	03-10-31	CITY	3134HCXZ7 Freddie Mac	3.70	2,000,000.00	1,988,000.00	1,988,000.00
03-17-26	03-14-28	CITY	3130B9WM8 Federal Home Loan	4.00	2,500,000.00	2,500,000.00	2,500,000.00
03-31-26	02-26-29	CITY	3134HCE96 Freddie Mac	4.21	1,500,000.00	1,500,000.00	1,500,000.00
			TOTAL GOVERNMENT AGENCY PAPER		$ 75,230,000.00	$ 73,483,559.28	$ 74,168,038.19

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

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	$ 241,276.80
01-04-24	12-28-28	CITY	09582YAV4 Blue Ridge Bank	4.09	240,000.00	240,948.00	241,135.20
06-11-24	06-11-26	CITY	38150VUZ0 Goldman Sachs Bank	5.05	245,000.00	245,033.90	247,179.52
06-13-24	06-13-29	CITY	89235MPP0 Toyota Financial SGS	4.65	245,000.00	245,000.00	250,250.86
06-14-24	06-15-26	CITY	34520LBC6 Forbright Bank	5.05	245,000.00	245,000.00	247,279.55
06-14-24	06-14-28	CITY	307811KA6 Farmers & Merchs Bank	5.00	245,000.00	245,000.00	246,517.02
06-17-24	06-17-26	CITY	8562855V9 State Bank of India	5.10	245,000.00	245,000.00	247,345.31
06-20-24	06-22-26	CITY	06051XER9 Bank of America NA	5.05	245,000.00	245,000.00	247,339.38
06-21-24	06-22-26	CITY	35634MAE1 Freedom Bank/Maywood NJ	5.05	245,000.00	245,000.00	247,339.60
01-06-26	12-30-30	CITY	32026U6U5 First Foundation Bank	4.25	250,000.00	250,000.00	250,000.00
01-14-26	01-14-31	CITY	46659CSR2 JP Morgan Chase Bank NA	4.00	250,000.00	250,000.00	250,000.00
02-13-26	02-14-28	CITY	178180HL2 City National Bank Beverly Hills	3.85	250,000.00	250,000.00	250,000.00
02-20-26	02-20-29	CITY	33622PAP8 First Security Bank	3.90	250,000.00	250,000.00	250,000.00
03-05-26	02-25-30	CITY	61778EQC8 Morgan Stanley	3.95	250,000.00	250,000.00	250,000.00
03-11-26	03-12-29	CITY	61776N2D4 Morgan Stanley	3.80	250,000.00	250,000.00	250,000.00
			TOTAL CERTIFICATES OF DEPOSIT		$ 3,695,000.00	$ 3,699,416.30	$ 3,715,663.24
CORPORATE BONDS							
01-04-24	07-27-26	CITY	61761J3R8 Morgan Stanley	4.70	$ 500,000.00	$ 481,185.25	$ 493,730.00
01-04-24	06-15-26	CITY	46625HRS1 JPMorgan Chase & CO	4.52	500,000.00	484,840.25	495,185.00
01-04-24	03-02-28	CITY	718172CE7 Philip Morris Intl Inc	4.49	500,000.00	474,395.25	487,000.00
01-04-24	04-01-27	CITY	808513BW4 Charles Schaw Corp	4.68	500,000.00	479,390.25	492,985.00
01-09-24	06-02-26	CITY	11271LAA0 Brookfield Fin Inc	5.13	500,000.00	490,115.25	498,735.00
01-09-24	07-09-27	CITY	22550L2K6 Crdit Suisse New York	4.92	500,000.00	500,910.25	507,650.00
01-09-24	08-15-28	CITY	797440CE2 San Diego G & E	4.49	500,000.00	509,340.25	510,425.00
01-09-24	07-01-27	CITY	75973QAA5 Reneissance Financial	5.01	500,000.00	475,470.25	492,385.00
08-27-24	02-01-29	CITY	06406RBN6 Bank of NY Mellon Corp	4.20	656,000.00	663,116.29	660,965.92
08-27-25	07-26-29	CITY	06406RBK2 Bank of Melon Corp	4.09	1,000,000.00	1,021,952.92	1,021,952.92
08-27-25	08-09-29	CITY	89236TMK8 Toyota Motor Crdt Corp	4.03	500,000.00	510,587.75	510,587.75
08-27-25	05-13-30	CITY	91324PDX7 United Health Group Inc	4.15	1,000,000.00	914,211.92	914,211.92
01-06-26	11-15-30	CITY	30303MAB8 Meta Platforms Inc Global	4.20	1,500,000.00	1,510,500.00	1,510,500.00
01-06-26	05-06-30	CITY	46647PBD7 JPMorgan Chase & Co	3.70	1,500,000.00	1,482,990.00	1,482,990.00
01-23-26	04-13-29	CITY	023135CG9 Amazon.com Inc	3.45	1,000,000.00	988,500.00	988,500.00
01-23-26	01-23-30	CITY	6174468G7 Morgan Stanley MTN	4.43	1,000,000.00	1,007,000.00	1,007,000.00
01-23-26	01-10-31	CITY	89236TPH2 Toyota Motor Credit Corp	4.20	1,000,000.00	998,300.00	998,300.00
02-12-26	02-12-31	CITY	95004HBB3 Wells Fargo Bank	4.15	2,000,000.00	2,000,000.00	2,000,000.00
02-23-26	02-23-29	CITY	06055JQF9 Bank of America Corp	4.05	2,000,000.00	2,000,000.00	2,000,000.00
03-05-26	11-20-30	CITY	023135CT1 Amazon.com Inc Global	4.10	1,500,000.00	1,510,500.00	1,510,500.00
03-05-26	02-15-31	CITY	02079KBK2 Alphabet Inc Global	4.10	1,000,000.00	1,006,000.00	1,006,000.00
03-05-26	03-21-29	CITY	59217GEZ8 Met Life Glob Funding	3.30	1,500,000.00	1,468,500.00	1,468,500.00
03-12-26	03-12-31	CITY	38151GAJ0 Goldman Sachs Bank	4.10	2,000,000.00	2,000,000.00	2,000,000.00
03-16-26	03-13-31	CITY	023135DD5 Amazon.com Inc Global	4.25	1,500,000.00	1,495,155.00	1,495,155.00
03-16-26	03-13-29		89236TPQ2 Toyota Motor Credit	4.05	1,000,000.00	997,600.00	997,600.00
			TOTAL CORPORATE BONDS		$ 25,656,000.00	$ 25,470,560.88	$ 25,550,858.51
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
09-01-84	n/a	CITY	98-19-620	3.83	$ 61,768,288.77	$ 61,768,288.77	$ 61,768,288.77
9-19-2024	n/a	PFA	40-19-078	3.83	36,500,000.00	36,500,000.00	40,603,146.66
9-28-2021	n/a	ARPA	19-19-004	3.83	14,557,860.40	14,557,860.40	14,557,860.40
			TOTAL LAIF ACCOUNTS		$ 112,826,149.17	$ 112,826,149.17	$ 116,929,295.83
CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM							
6080-01	n/a	CITY	6080-01	3.80	$ 54,602,459.72	$ 54,602,459.72	$ 54,602,459.72
			TOTAL CAMP ACCOUNTS		$ 54,602,459.72	$ 54,602,459.72	$ 54,602,459.72

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
UBS FINANCIAL SERVICES							
n/a	n/a	CITY		0.00	$ 3,445,020.74	$ 3,445,020.74	$ 3,445,020.74
		TOTAL UBS FINANCIAL SERVICES ACCOUNTS			$ 3,445,020.74	$ 3,445,020.74	$ 3,445,020.74
		TOTAL CITY INVESTMENTS			$ 320,954,629.63	$ 318,509,704.84	$ 323,837,253.98
			LIBRARY INVESTMENTS				
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
11-20-84	n/a	LIBRARY	16-19-012	3.83			$ 14,228.63
		TOTAL LIBRARY INVESTMENTS					$ 14,228.63
			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			$ 123.92
05-10-95	n/a	IMPROVEMENT	95421222	0.10			180,096.90
		TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1					$ 180,220.82
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			$ 14.29
04-06-95	n/a	IMPV-ACQUI	95420884	0.01			2,997,720.77
04-06-95	n/a	BOND	95420887	0.15			0.15
		TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1					$ 2,997,735.21
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			$ 111.03
08-01-19	n/a	RESERVE	242969003	0.00			722,950.68
08-01-19	n/a	SP TAX - REFNDING BOND	242969004	0.01			15,152.15
		TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1					$ 738,213.86
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			$ 11,424.79
	n/a	RESERVE FUND	251009001	0.01			640,625.76
		TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021					$ 652,050.55

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

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			$ 16,856.45
11-08-06	n/a	ADM EXP	106844002	0.01			1,853.23
11-08-06	n/a	RESERVE FUND	106844003	0.01			80,719.45
		TOTAL 2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB					$ 99,429.13
2015 HA DEBT SERVICE RESERVE							
Fiscal Agent: Bank of America							
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08			$ 41,221.44
		TOTAL 2015 HA DEBT SERVICE RESERVE					$ 41,221.44
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND							
05-23-18	n/a	CITY	104790895775 Pub. Agency Retirement Svcs.	2.60			$ 12,731,581.02
		TOTAL PARS PENSION TRUST FUND					$ 12,731,581.02
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			$ 154,105.77
09-03-15	n/a	INTEREST ACCT	277067001	0.01			14.01
09-03-15	n/a	BOND RESERVE	277067003	0.00			281,019.62
09-03-15	n/a	REPAIR & REPLACE FUND	277067004	0.00			1,456,916.27
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS					$ 1,892,055.67
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			$ 0.50
04-05-17	n/a	REVENUE REFUNDING BOND	271128001	n/a			0.07
04-05-17	n/a	REVENUE REFUNDING BOND	271128002				0.31
		TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS					$ 0.88
BOND PROCEEDS							
2023 A&B SERIES ACQUISITION & CONSTRUCTION REVENUE BOND PFA							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
11-30-23	n/a	REVENUE FUND	248041000				$ 9.57
11-30-23	n/a	INTEREST	248041001				452,099.73
11-30-23	n/a	PRINCIPAL	248041002				0.51
11-30-23	n/a	REVENUE FUND	248041004				13.54
11-30-23	n/a	REVENUE FUND	248041008				4,800,480.28
		TOTAL 2023 A&B SERIES B ACQUISITION & CONSTRUCTION REV BOND					$ 5,252,603.63
		GRAND TOTAL - FISCAL AGENT CASH					$ 24,585,112.21

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand			$ 12,952,999
Pooled Cash Investments			
City:	314,446,481		
Insur Fund:	9,390,773		$ 323,837,254
Library Investments			14,229
Subtotal			$ 336,804,482
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash			$ 24,585,112
Grand total			$ 361,389,594

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

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				$ 61,768,288.77
Subtotal	$ -	$ -	$ -	61768288.77
LAIF - PFA ACCOUNT 40-19-078				
Beginning Balance				$ 40,603,146.66
Subtotal	$ -	$ -	$ -	$ 40,603,146.66
LAIF - LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 14,228.63
Subtotal	$ -	$ -	$ -	$ 14,228.63
LAIF - ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 14,557,860.40
Subtotal	$ -	$ -	$ -	$ 14,557,860.40
CAMP				
Beginning Balance				$ 54,427,026.51
03-31-26			$ 175,433.21	
Subtotal	$ -	$ -	$ 175,433.21	$ 54,602,459.72
UBS Financial Services				
Beginning Balance				$ 6,806,160.14
03-31-26			$ 311,033.10	
03-31-26	$ 6,200,000.00			
03-31-26		$ (9,872,172.50)		
Subtotal	$ 6,200,000.00	$ (9,872,172.50)	$ 311,033.10	$ 3,445,020.74
Total	$ 6,200,000.00	$ (9,872,172.50)	$ 486,466.31	$ 174,991,004.92

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

POOLED CASH - INVESTMENTS MATURED OR CALLED

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
C = Call
M = Maturity
CB = Corporate Bonds

ISSUER	PURCHASE DATE	MATURITY DATE		FACE VALUE REDEEMED	INTEREST RECEIVED	NET FUNDS	INVESTED AMOUNT	GAIN/ (LOSS)
9128286F2 U.S. Treasury Note	05-11-21	03-02-26	TN	$ 3,000,000.00	$ 37,500.00	$ 3,037,500.00	$ 2,966,940.00	$ 33,060.00
9128286L9 U.S. Treasury Note	03-08-23	03-31-26	TN	3,200,000.00	36,000.00	3,236,000.00	3,156,832.00	43,168.00
30231GAT9 Exxon Mobile Corporation	05-17-23	03-01-26	CB	1,000,000.00	15,215.00	1,015,215.00	992,307.00	7,693.00
194162AQ6 Colgate-Palmolive	05-17-23	03-02-26	CB	1,000,000.00	24,000.00	1,024,000.00	1,004,192.00	(4,192.00)
				$ 8,200,000.00	$ 112,715.00	$ 8,312,715.00	$ 8,120,271.00	$ 79,729.00

Total Number of Transactions:

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
MARCH 31, 2026

POOLED CASH - INVESTMENTS PURCHASED

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
CB = Corporate Bonds

ISSUER	PURCHASE DATE		MATURITY DATE	FACE VALUE	PREMIUM / (DISCOUNT)	PURCHASE PRICE	ACCRUED INTEREST PURCHASED	NET PURCHASE	Yield
02079KBK2 Alphabet Inc Global	03-05-26	CB	02-15-31	$ 1,000,000.00	-6000.00	$ 1,006,000.00	$ 2,505.56	$ 1,008,505.56	$ 4.10
023135CT1 Amazon.com Inc Global	03-05-26	CB	11-20-30	1,500,000.00	(10,500.00)	1,510,500.00	17,937.50	1,528,437.50	4.10
3133EWFX3 Federal Farm Credit	03-05-26	FP	03-05-29	2,000,000.00	3,000.00	1,997,000.00	-	1,997,000.00	3.70
59217GEZ8 Met Life Glob Funding	03-05-26	CB	03-21-29	1,500,000.00	31,500.00	1,468,500.00	22,550.00	1,491,050.00	3.30
61778EQC8 Morgan Stanley Bank	03-05-26	CD	02-25-30	250,000.00	-	250,000.00	216.44	250,216.44	3.95
91282CPK1 US Treasury Note	03-05-26	TN	11-15-28	2,000,000.00	2,187.50	1,997,812.50	21,270.72	2,019,083.22	3.50
3130B9RD4 Federal Home Loan	03-10-26	FP	09-10-29	2,000,000.00	-	2,000,000.00	-	2,000,000.00	4.00
3134HCXZ7 Freddie Mac	03-10-26	FP	03-10-31	2,000,000.00	12,000.00	1,988,000.00	-	1,988,000.00	3.70
61776N2D4 Morgan Stanley	03-11-26	CD	03-12-29	250,000.00	-	250,000.00	-	250,000.00	3.80
38151GAJ0 Goldman Sachs Bank	03-12-26	CB	03-12-31	2,000,000.00	-	2,000,000.00	-	2,000,000.00	4.10
023135DD5 Amazon.com Inc Global	03-16-26	CB	03-13-31	1,500,000.00	4,845.00	1,495,155.00	531.25	1,495,686.25	4.25
91282CMW8 US Treasury Note	03-16-26	TN	04-15-28	2,000,000.00	(1,875.00)	2,001,875.00	31,318.68	2,033,193.68	3.75
89236TPQ2 Toyota Motor Credit	03-16-26	CB	03-13-29	1,000,000.00	2,400.00	997,600.00	337.50	997,937.50	4.05
3130B9WM8 Federal Home Loan	03-17-26	FP	03-14-28	2,500,000.00	-	2,500,000.00	-	2,500,000.00	4.00
3134HCE96 Freddie Mac	03-31-26	FP	02-26-29	1,500,000.00	-	1,500,000.00	877.08	1,500,877.08	4.21
				$ 23,000,000.00	$ 37,557.50	$ 22,962,442.50	$ 97,544.73	$ 23,059,987.23	

Total Number of Transactions:

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
March 31, 2026

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	3.83	$ 4,027,755.66	
						$ 4,027,755.66
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	$ 533,660.51	
08-20-02	n/a	Interest Acct	94460701	0.04	21,860.77	
08-20-02	n/a	Principal Acct	94460702	0.04	82.64	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 555,603.92
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	$ 0.76	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 0.76
BOND PROCEEDS						
2016 SA $31.5M Tax Allocation Refunding Bonds Series B						
Fiscal Agent: U.S. Bank National Association (fka First Trust)						
4/26/2016	n/a	Debt Service	269424000	0.00	$ 0.52	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series B						$ 0.52
GRAND TOTAL - FISCAL AGENT CASH						$ 555,605.20

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$ 10,026,750
Pooled Cash Investments	4,027,756
Successor Agency Fiscal Agent Cash	555,605
Grand total	$ 14,610,111

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
March 31, 2026

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				4,027,755.66
Subtotal	$ -	$ -	$ -	$ 4,027,755.66

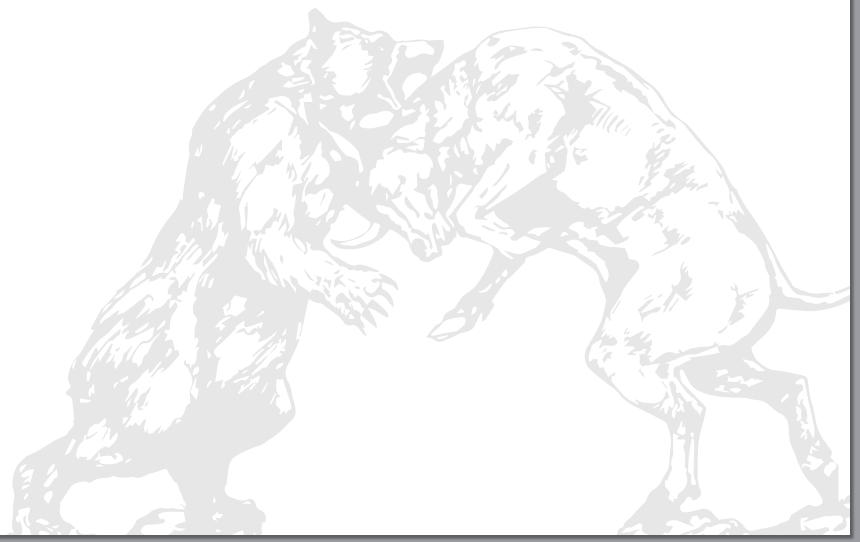
STIFEL

Performance Profile

City of Palmdale

Palmdale, CA

March 2026



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Performance Profile

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Executive Summary

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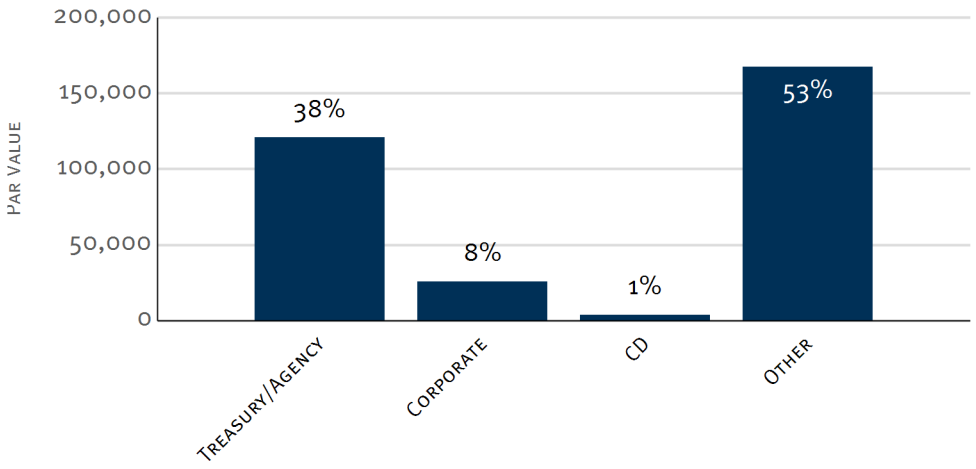
Executive Summary

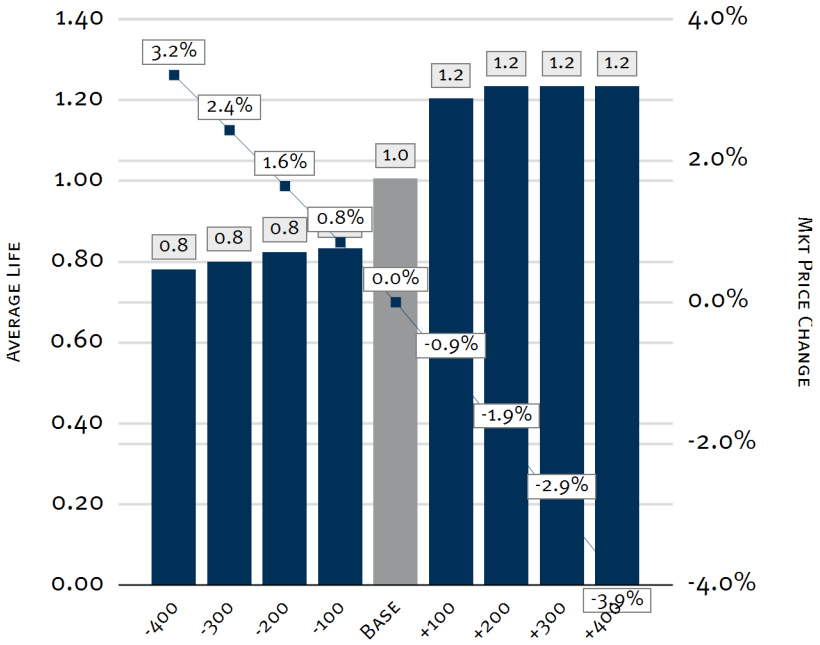
Portfolio Snapshot

Book Value	**315,065,011**
# Securities	80
Average Size (Book)	3,938,313
Yield @ Book Price	4.50
Internal Rate of Return	4.72
Yield @ Book Price +100bps	4.50
Yield @ Book Price -100bps	4.67
Market Yield	3.97
$ Gain Loss	1,045,851
% Gain Loss	0.3%
Average Life	1.0
Average Life +300bps	1.2
% Price Change +100bps	-0.9
% Price Change +300bps	-2.9
Effective Duration	0.9
Effective Convexity	-0.1
AFS / HTM %	100% / 0%
Fixed / Floating	100% / 0%
ESG / Green Par (000's)	$500 / $500

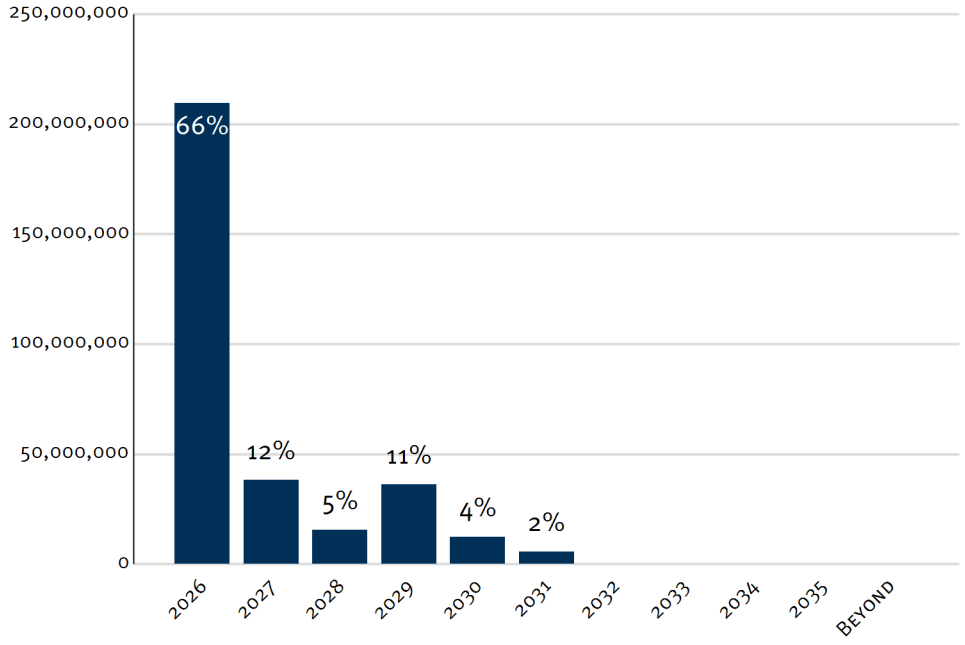
Sector Allocation



Average Life vs Price Sensitivity



Projected Principal Cash Flows



Executive Summary

Historical Portfolio Overview

	03/31/2026	02/28/2026	12/31/2025	
Book Value	315,065,011	294,040,601	288,785,800	
Yield @ Book Price	4.50	4.54	4.37	
Yield @ Book Price (+100)	4.50	4.47	4.34	
Yield @ Book Price (+300)	4.50	4.47	4.34	
Yield @ Book Price (-100)	4.67	4.49	4.46	
WAL	1.0	0.8	0.7	
WAL (+100)	1.2	1.0	0.9	
WAL (+300)	1.2	1.1	0.9	
WAL (-100)	0.8	0.7	0.6	
% Price Change (+100)	-0.9%	-0.8%	-0.7%	
% Price Change (+300)	-2.9%	-2.6%	-2.2%	
% Price Change (-100)	0.9%	0.7%	0.6%	
Effective Duration	0.9	0.7	0.6	
Effective Convexity	-0.1	-0.1	-0.1	
$ Gain/Loss	1,045,851	2,220,293	1,831,090	
% Gain/Loss	0.3%	0.8%	0.6%	
$ Gain/Loss (+300)	-8,213,739	-5,335,428	-4,663,745	
Principal Cash Flow 2 yrs out	78%	86%	91%	
Principal Cash Flow 2 yrs out (+100)	73%	79%	83%	
Principal Cash Flow 2 yrs out (+300)	70%	75%	80%	
Principal Cash Flow 2 yrs out (-100)	84%	88%	91%	

Executive Summary

Portfolio Sector Summary

Sector	Portfolio Curr Par %	Par Value	Cpn	Maturity	Book Value	Yld @ Book	Market Value	Market Yield	% Price Change -100	% Price Change +100	% Price Change +300	Gain/(Loss) $	Gain/(Loss) %	WAL	Effective Dur	Effective Cvx	AFS %
Treasury (14)	14.3%	45,500,000	3.58	2.5	44,982,850	4.71	45,223,809	3.96	2.4	-2.3	-6.6	240,959	0.5%	2.5	2.3	0.1	100%
Agency Bullet (1)	0.6%	2,000,000	0.75	1.5	1,897,600	4.27	1,903,610	4.05	1.5	-1.5	-4.3	6,010	0.3%	1.5	1.5	0.0	100%
Callable Agency (23)	23.1%	73,230,000	3.17	2.2	71,585,851	5.87	72,590,490	4.18	0.9	-1.3	-4.7	1,004,639	1.4%	1.2	1.1	-0.4	100%
Treasury/Agency (38)	38.0%	120,730,000	3.28	2.3	118,466,301	5.41	119,717,909	4.10	1.4	-1.7	-5.4	1,251,608	1.1%	1.7	1.6	-0.2	100%
Other/Unknown (2)	1.3%	4,000,000	4.13	4.9	4,000,000	4.12	3,960,610	4.35	4.0	-3.9	-11.6	(39,390)	-1.0%	4.7	3.9	0.0	100%
Finance (15)	4.1%	13,156,000	3.98	2.9	13,062,035	5.79	12,993,356	4.55	2.3	-2.3	-6.7	(68,679)	-0.5%	2.6	2.3	0.0	100%
Industrial (1)	0.2%	500,000	3.13	1.9	474,400	5.99	488,202	4.42	1.8	-1.8	-5.3	13,802	2.9%	1.9	1.8	0.0	100%
Services (6)	2.4%	7,500,000	3.78	4.5	7,424,900	4.07	7,307,020	4.47	4.1	-3.9	-11.2	(117,880)	-1.6%	4.5	4.0	0.2	100%
Utility (1)	0.2%	500,000	4.95	2.4	509,350	4.09	510,993	3.94	2.2	-2.2	-6.3	1,643	0.3%	2.3	2.2	0.0	100%
Corporate (25)	8.1%	25,656,000	3.94	3.6	25,470,685	5.00	25,260,181	4.48	3.0	-3.0	-8.7	(210,504)	-0.8%	3.4	3.0	0.1	100%
NCD (15)	1.2%	3,695,000	4.50	2.0	3,699,417	4.05	3,704,163	3.94	1.2	-1.4	-4.6	4,746	0.1%	2.0	1.3	-0.2	100%
CD (15)	1.2%	3,695,000	4.50	2.0	3,699,417	4.05	3,704,163	3.94	1.2	-1.4	-4.6	4,746	0.1%	2.0	1.3	-0.2	100%
Cash & Other (2)	52.7%	167,428,609	3.82	0.1	167,428,609	3.79	167,428,609	3.79	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Other (2)	52.7%	167,428,609	3.82	0.1	167,428,609	3.79	167,428,609	3.79	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Total (80)	100.0%	317,509,609	3.64	1.2	315,065,011	4.50	316,110,862	3.97	0.9	-0.9	-2.9	1,045,851	0.3%	1.0	0.9	-0.1	100%

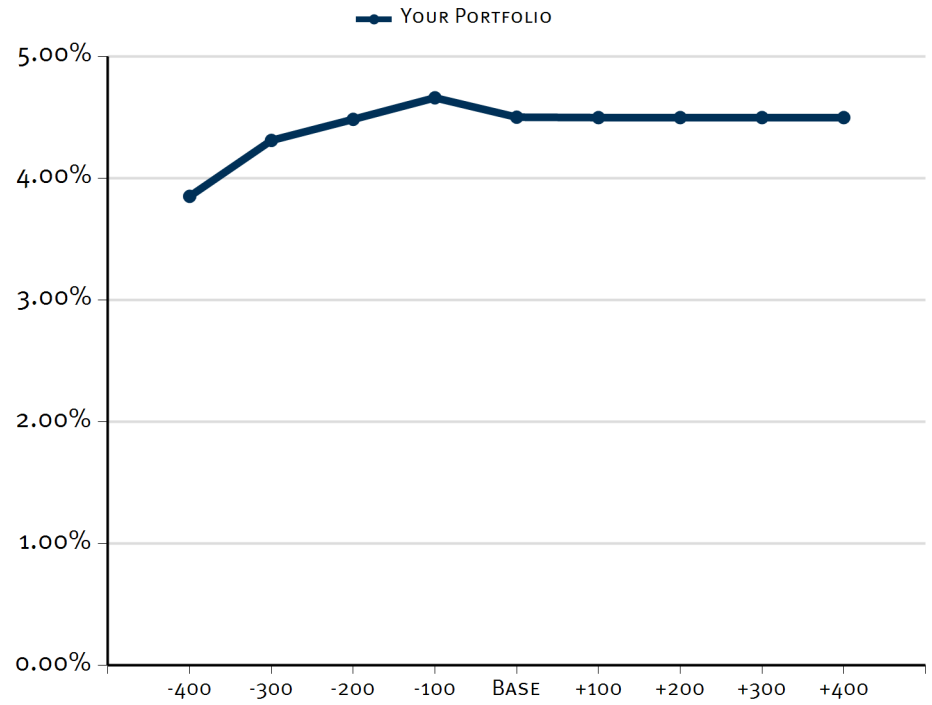
Executive Summary

Portfolio Analysis - Interest Rate Shock

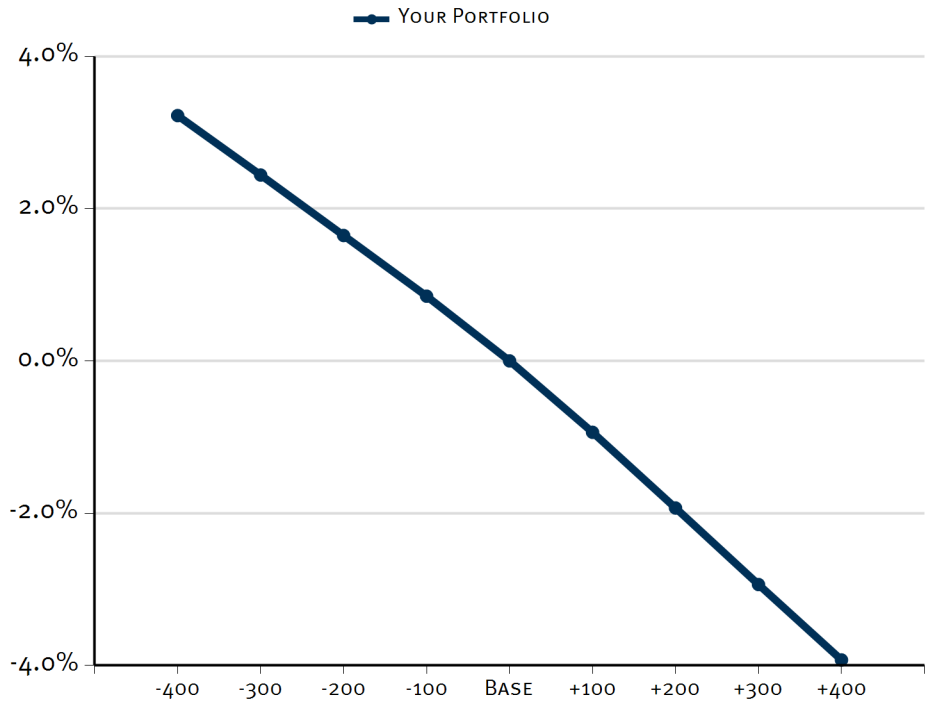
Total Portfolio

	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	80	80	80	80	**80**	80	80	80	80
Current Face	317,509,609	317,509,609	317,509,609	317,509,609	**317,509,609**	317,509,609	317,509,609	317,509,609	317,509,609
Book Value	315,065,011	315,065,011	315,065,011	315,065,011	**315,065,011**	315,065,011	315,065,011	315,065,011	315,065,011
Book Price	99.23	99.23	99.23	99.23	**99.23**	99.23	99.23	99.23	99.23
Projected Yield At Book Price	4.10%	4.46%	4.57%	4.67%	**4.50%**	4.50%	4.50%	4.50%	4.50%
Market Value	326,258,991	323,801,541	321,300,183	318,790,021	**316,110,862**	313,155,641	310,021,095	306,851,273	303,727,112
Market Price	102.76	101.98	101.19	100.40	**99.56**	98.63	97.64	96.64	95.66
Market Yield	-0.17%	0.84%	1.86%	2.90%	**3.97%**	4.93%	5.91%	6.92%	7.93%
% Price Change	3.2%	2.4%	1.6%	0.9%	**0.0%**	-0.9%	-1.9%	-2.9%	-3.9%
Book Gain/Loss	11,193,980	8,736,530	6,235,172	3,725,009	**1,045,851**	-1,909,371	-5,043,916	-8,213,739	-11,337,899
Gain/Loss %	3.6%	2.8%	2.0%	1.2%	**0.3%**	-0.6%	-1.6%	-2.6%	-3.6%
Average Life	0.8	0.8	0.8	0.8	**1.0**	1.2	1.2	1.2	1.2
Effective Duration	0.8	0.8	0.8	0.8	**0.9**	1.0	1.0	1.0	1.0
Effective Convexity	0.0	0.0	0.0	-0.1	**-0.1**	-0.1	0.0	0.0	0.0

Projected Portfolio Yield at Book



Total Portfolio Price Volatility

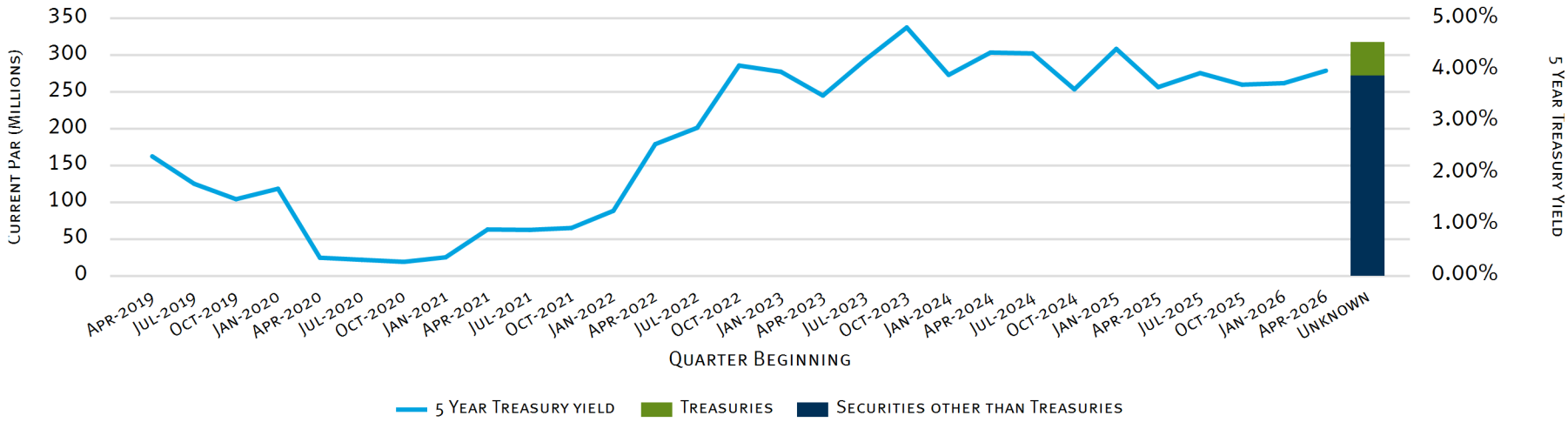


[1]Stifel Portfolio Median refers to the median portfolio value for other institutions analyzed by Stifel within the past three months.

Executive Summary

Market Timing Analysis

Historical Purchases vs 5 Year Treasury Yield



5 Year Treasury Average: 2.65% / Median 3.19%

Securities Purchased by Rate Environment



The highest quartile is composed of the seven quarters over the past seven years in which rates were the highest, the second quartile is the next seven highest quarters, and so on.

Executive Summary

Key Market Rates

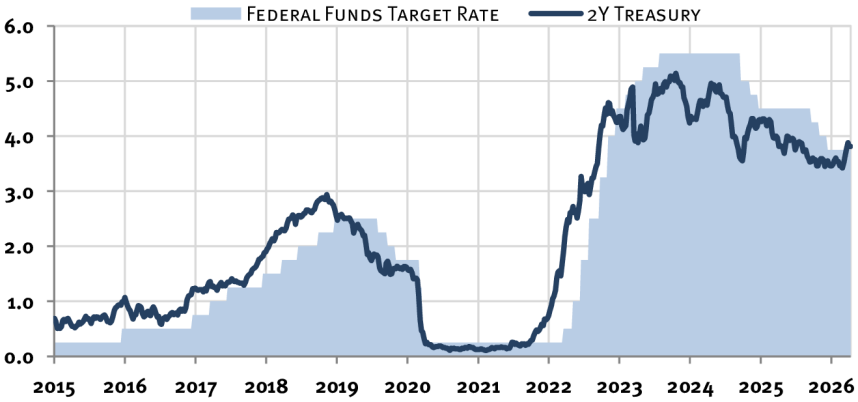
KEY MARKET RATES

Treasury Yields	3/31/2026	3/31/2025	YOY Δ
3M Treasury Bill	3.68	4.30	(0.62)
6M Treasury Bill	3.70	4.23	(0.53)
2Y Treasury Note	3.79	3.88	(0.09)
3Y Treasury Note	3.82	3.87	(0.06)
5Y Treasury Note	3.94	3.95	(0.01)
10Y Treasury Note	4.32	4.21	0.11
30Y Treasury Bond	4.91	4.57	0.34
10Y TIPS	2.01	1.84	0.18

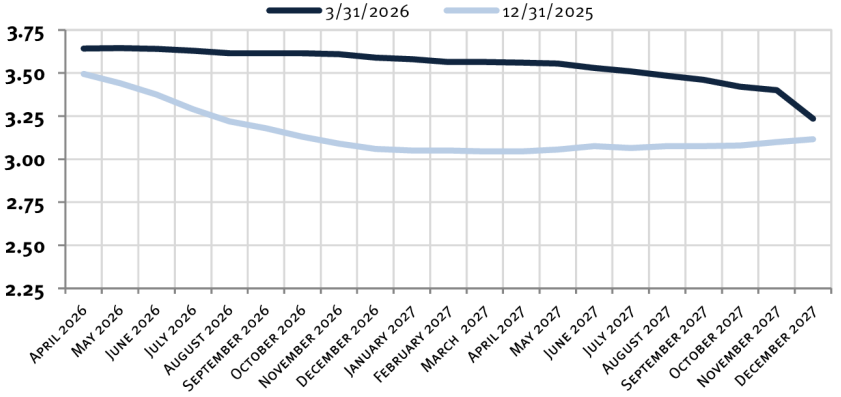
Other Key Interest Rates	3/31/2026	3/31/2025	YOY Δ
Fed Funds Target Rate	3.75	4.50	(0.75)
Fed Funds Effective Rate	3.64	4.33	(0.69)
Interest on Reserves	3.65	4.40	(0.75)
SOFR	3.68	4.41	(0.73)
SOFR 30-Day Average	3.65	4.33	(0.68)
Discount Rate	3.75	4.50	(0.75)
Prime	6.75	7.50	(0.75)
FHLMC 30Y Mortgage Rate	6.38	6.65	(0.27)

Stocks and Commodities	3/31/2026	3/31/2025	YOY Δ
Dollar Index	99.96	104.21	-4.1%
CRB Commodity Index	565.32	547.11	3.3%
Brent Crude Oil	118.35	74.74	58.3%
Gold	4,668	3,124	49.4%
DJIA	46,342	42,002	10.3%
S&P 500	6,529	5,612	16.3%
Russell 2000	2,496	2,012	24.1%
NASDAQ	21,591	17,299	24.8%

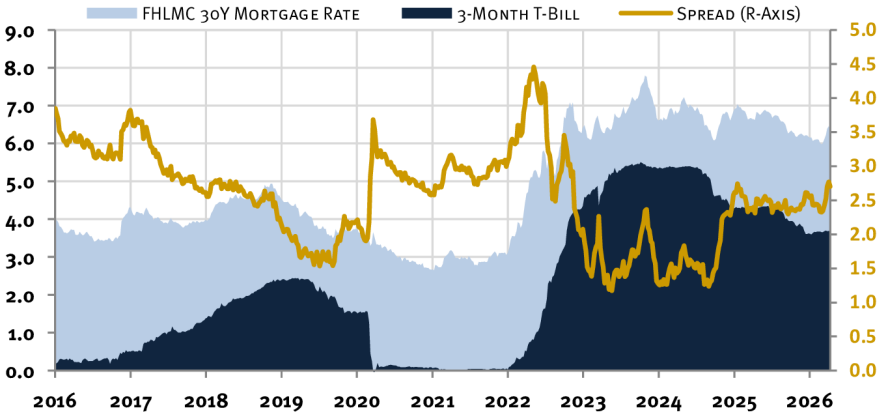
FEDERAL FUNDS TARGET RATE AND 2-YEAR TREASURY YIELD



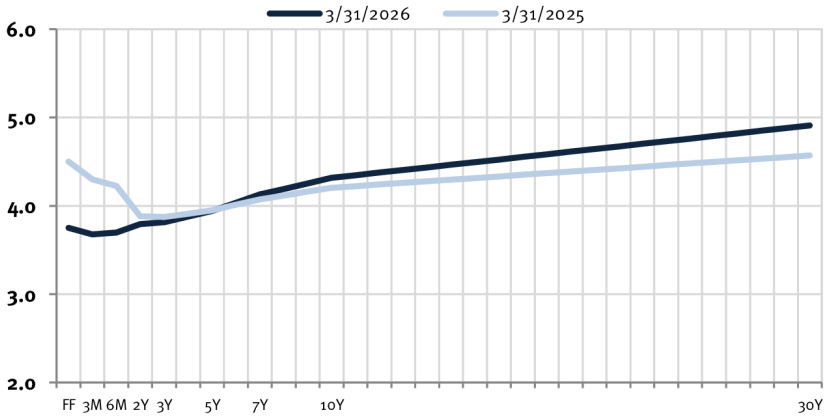
FED FUNDS FUTURES



FUNDING COSTS vs. FNMA 30Y MORTGAGE RATES



CURRENT TREASURY YIELD CURVE vs. ONE YEAR AGO



KEY ECONOMIC DATA

Gross Domestic Product (Chain-Weighted)	Dec-25	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
GDP *(S Billions)*	**24,056**	24,027	23,771	23,548	23,587	23,479	23,287	23,082	23,034	22,841	22,581	22,440	22,278
GDP *(QoQ, SAAR)*	**0.5%**	4.4%	3.8%	-0.6%	1.9%	3.3%	3.6%	0.8%	3.4%	4.7%	2.5%	2.9%	2.8%
Personal Consumption ($ Billions)	**16,665**	16,586	16,446	16,346	16,321	16,166	16,010	15,858	15,790	15,672	15,554	15,496	15,326
Personal Consumption (QoQ, SAAR)	**1.9%**	3.5%	2.5%	0.6%	3.9%	4.0%	3.9%	1.7%	3.0%	3.1%	1.5%	4.5%	0.8%
Real Disposable Personal Income ($ Billions)	**18,071**	18,071	18,025	17,943	17,843	17,755	17,701	17,596	17,417	17,269	17,183	17,002	16,519
Real Disposable personal Income (QoQ, SAAR)	**0.0%**	1.0%	1.8%	2.3%	2.0%	1.2%	2.4%	4.2%	3.5%	2.0%	4.3%	12.2%	4.1%
Private Investment ($ Billions)	**4,408**	4,383	4,383	4,548	4,316	4,392	4,382	4,296	4,313	4,276	4,181	4,109	4,185
Private Investment (QoQ, SAAR)	**2.3%**	0.0%	-13.7%	23.3%	-6.8%	0.9%	8.2%	-1.6%	3.6%	9.4%	7.2%	-7.1%	8.0%
Business Fixed Investment ($ Billions)	**4,406**	4,389	4,381	4,334	4,260	4,281	4,265	4,250	4,219	4,171	4,132	4,040	3,992
Business Fixed Investment (QoQ, SAAR)	**1.5%**	0.8%	4.4%	7.1%	-1.9%	1.5%	1.4%	3.0%	4.6%	3.8%	9.5%	4.9%	-0.5%
Residential Fixed Investment ($ Billions)	**761**	764	779	789	791	783	792	796	781	778	757	749	762
Residential Fixed Investment (QoQ, SAAR)	**-1.7%**	-7.1%	-5.1%	-1.0%	4.3%	-4.8%	-2.0%	8.2%	1.5%	11.5%	4.2%	-6.6%	-21.3%
Change in Business Inventories ($ Billions)	**8**	(6)	(190)	155	(52)	(6)	63	(49)	(6)	50	(26)	(117)	81
Government Spending ($ Billions)	**3,957**	4,015	3,993	3,994	4,004	3,971	3,919	3,887	3,865	3,821	3,774	3,743	3,705
Government Spending (QoQ, SAAR)	**-5.6%**	2.2%	-0.1%	-1.0%	3.3%	5.4%	3.3%	2.3%	4.7%	5.2%	3.3%	4.1%	4.1%
Federal Government Spending ($ Billions)	**1,459**	1,527	1,517	1,537	1,560	1,543	1,512	1,496	1,493	1,480	1,456	1,456	1,442
Federal Government Spending ($ Billions)	**-16.7%**	2.7%	-5.3%	-5.6%	4.4%	8.6%	4.3%	0.8%	3.4%	6.8%	-0.1%	4.1%	9.1%
State and Local Government Spending ($ Billions)	**2,497**	2,487	2,475	2,456	2,445	2,429	2,407	2,391	2,372	2,341	2,317	2,287	2,264
State and Local Government Spending (QoQ, SAAR)	**1.5%**	2.0%	3.1%	1.9%	2.7%	3.6%	2.8%	3.2%	5.4%	4.2%	5.4%	4.1%	1.4%
Net External Trade ($ Billions)	**(969)**	(956)	(1,058)	(1,381)	(1,069)	(1,065)	(1,032)	(964)	(934)	(926)	(928)	(912)	(945)
Net External Trade (QoQ, SAAR)	**-5.6%**	33.5%	65.5%	-178.3%	-1.5%	-13.3%	-31.4%	-13.5%	-3.5%	0.8%	-7.2%	13.0%	3.6%
Exports ($ Billions)	**2,687**	2,709	2,647	2,660	2,659	2,664	2,608	2,604	2,575	2,537	2,509	2,544	2,520
Exports (QoQ, SAAR)	**-3.2%**	9.6%	-1.8%	0.2%	-0.9%	8.9%	0.7%	4.6%	6.1%	4.4%	-5.3%	3.8%	-2.9%
Imports ($ Billions)	**3,655**	3,664	3,705	4,040	3,727	3,729	3,640	3,568	3,509	3,463	3,437	3,456	3,465
Imports (QoQ, SAAR)	**-1.0%**	-4.4%	-29.3%	38.0%	-0.2%	10.1%	8.4%	6.9%	5.4%	3.0%	-2.1%	-1.0%	-3.1%

Labor	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Unemployment Rate	4.3%	4.4%	4.3%	4.4%	4.5%		4.4%	4.3%	4.3%	4.1%	4.3%	4.2%	4.2%
Monthly Change in Nonfarm Payrolls (000s)	178	-133	160	-17	41	-140	76	-70	64	-20	13	108	67
Average Weekly Hours Worked Nonfarm	34.2	34.3	34.3	34.2	34.3	34.2	34.2	34.2	34.2	34.2	34.2	34.3	34.2
Average Hourly Earnings Nonfarm (YoY)	3.5%	3.8%	3.7%	3.7%	3.9%	3.9%	3.8%	4.0%	4.0%	3.9%	4.0%	3.9%	4.2%

Inflation	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Consumer Price Index (YoY)	3.3%	2.4%	2.4%	2.7%	2.7%		3.0%	2.9%	2.7%	2.7%	2.4%	2.3%	2.4%
Core Consumer Price Index (YoY)	2.6%	2.5%	2.5%	2.6%	2.6%		3.0%	3.1%	3.1%	2.9%	2.8%	2.8%	2.8%
Core Personal Consumption Expenditure (YoY)		3.0%	3.1%	3.0%	2.8%	2.8%	2.8%	2.9%	2.9%	2.8%	2.8%	2.6%	2.7%

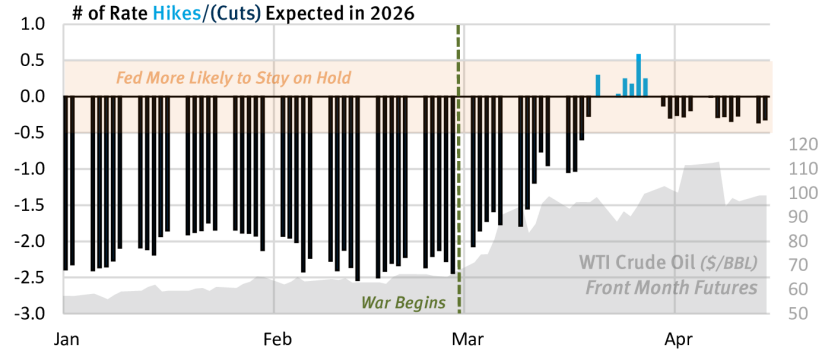
Housing	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
New Home Sales (000s, Annualized)			587	712	764	650	719	706	639	662	627	706	660
Existing Home Sales (Millions, Annualized)	3.98	4.13	4.02	4.27	4.09	4.11	4.08	4.03	4.03	3.98	4.04	4.02	4.02
Homebuilder Confidence Index	38	37	37	39	38	37	32	32	33	32	34	40	39
Housing Starts (000s, Annualized)			1487	1387	1324	1272	1328	1291	1420	1382	1282	1398	1355
Building Permits (000s, Annualized)			1386	1455	1388	1411	1415	1330	1362	1393	1394	1422	1481

Other	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Industrial Production (YoY Change in Output)		1.4%	2.3%	1.4%	2.1%	1.8%	1.9%	1.2%	1.9%	0.6%	0.1%	0.9%	0.6%
ISM Manufacturing Index	52.7	52.4	52.6	47.9	48.0	48.8	48.9	48.9	48.4	49.0	48.6	48.8	48.9
ISM Non-Manufacturing Index	54.0	56.1	53.8	53.8	52.4	52.0	50.3	51.9	50.5	50.8	50.2	51.6	50.8
ISM Economy-Weighted Composite index	53.9	55.7	53.7	53.2	52.0	51.7	50.2	51.6	50.3	50.6	50.0	51.3	50.6
Auto Sales (Millions, Annualized)	16.34	15.75	14.85	16.02	15.60	15.32	16.39	16.07	16.41	15.34	15.65	17.27	17.77
Consumer Confidence (U of M)	53.3	56.6	56.4	52.9	51.0	53.6	55.1	58.2	61.7	60.7	52.2	52.2	57.0

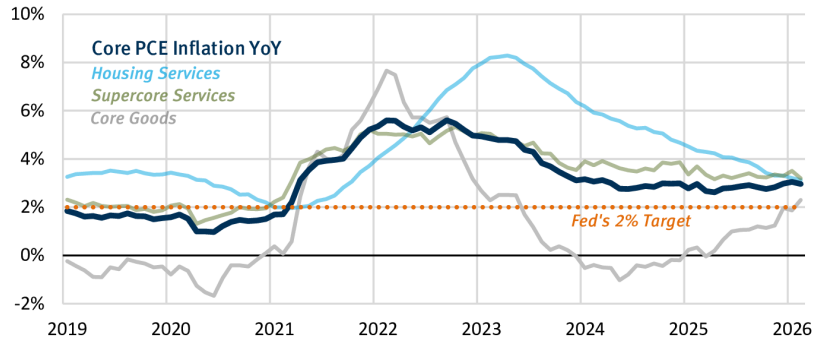
Executive Summary

Key Market Rates

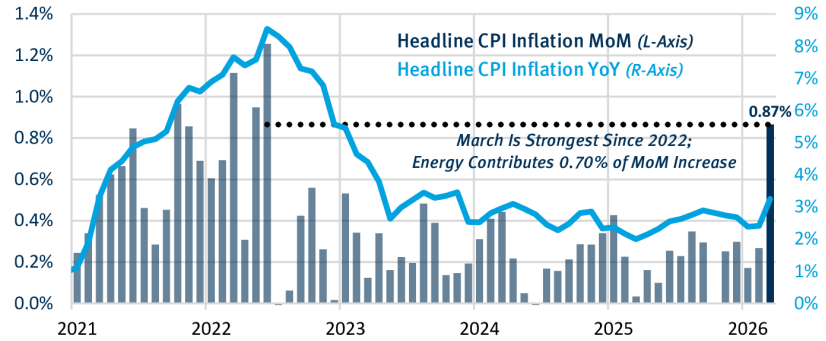
WAR IN IRAN UPENDED EXPECTATIONS FOR ADDITIONAL FED EASING THIS YEAR



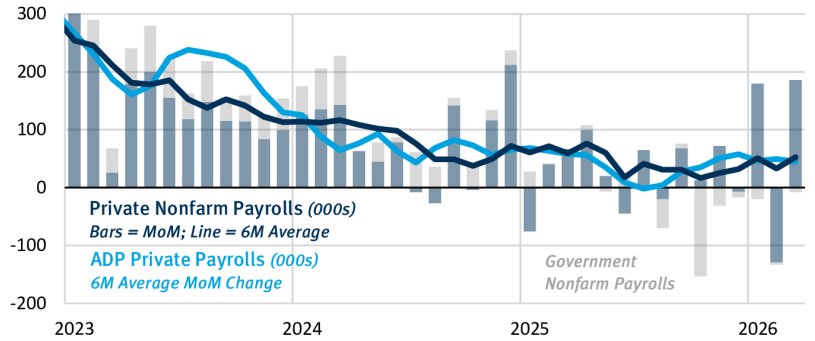
INFLATION REMAINED FRUSTRATINGLY STICKY EVEN BEFORE ANY WAR EFFECTS



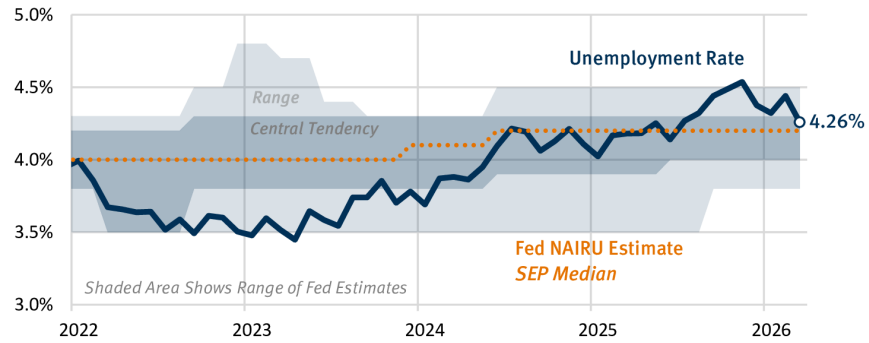
AND NOW FACES THE NEW UPSIDE RISK FROM AN ENERGY PRICE SHOCK



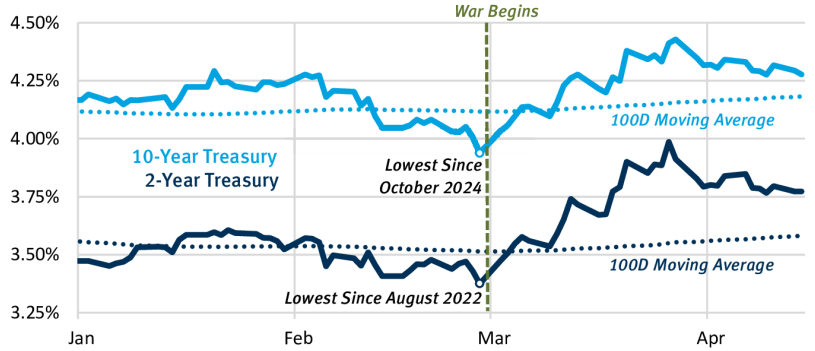
STRONG MARCH PAYROLL DATA EASED WORRIES AFTER FEBRUARY'S JOB LOSS



AND UNEMPLOYMENT'S DECLINE ALLEVIATED SOME TENSION BETWEEN THE MANDATES



UNCERTAINTY, RATES LIKELY TO REMAIN ELEVATED UNTIL THE FOG OF WAR LIFTS



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, ADP, Federal Reserve, Bloomberg Finance L.P., Stifel

Sector Analysis

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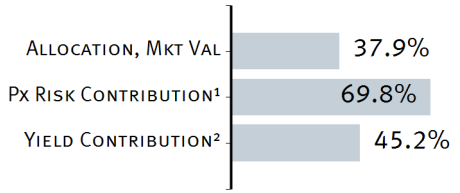
Sector Analysis

Treasury/Agency Sector Portfolio

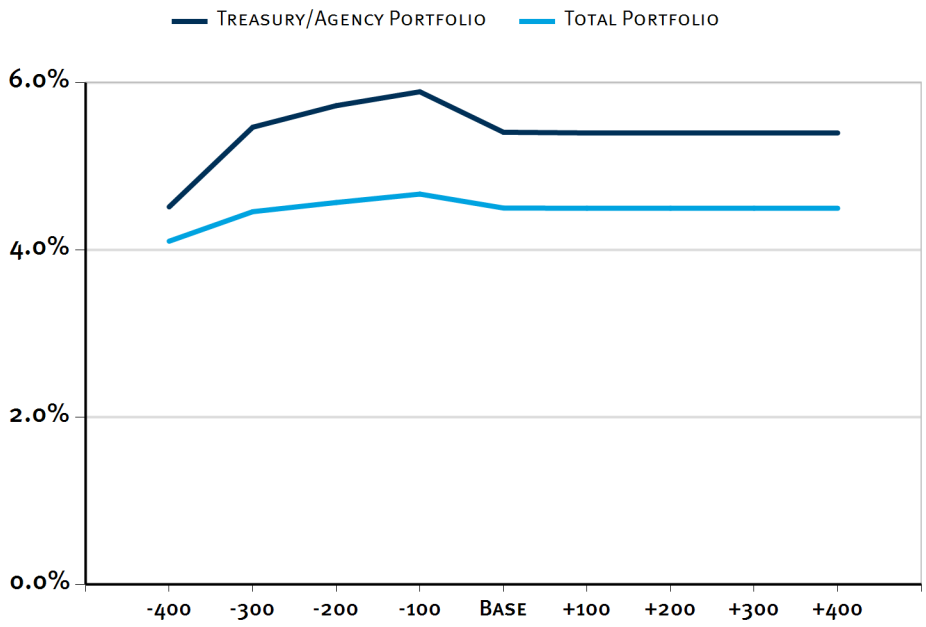
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	38	38	38	38	38	38	38	38	38
Current Face	120,730,000	120,730,000	120,730,000	120,730,000	120,730,000	120,730,000	120,730,000	120,730,000	120,730,000
Book Value	118,466,301	118,466,301	118,466,301	118,466,301	118,466,301	118,466,301	118,466,301	118,466,301	118,466,301
Book Price	98.12	98.12	98.12	98.12	98.12	98.12	98.12	98.12	98.12
Proj. Yld. At Book Px.	4.51%	5.47%	5.72%	5.89%	5.41%	5.40%	5.40%	5.40%	5.40%
Market Value	125,962,532	124,503,517	122,987,721	121,441,583	119,717,909	117,712,366	115,512,094	113,254,244	111,015,371
Market Price	104.33	103.13	101.87	100.59	99.16	97.50	95.68	93.81	91.95
Market Yield	-0.24%	0.82%	1.86%	2.95%	4.10%	4.99%	5.91%	6.88%	7.87%
% Price Change	5.2%	4.0%	2.7%	1.4%	0.0%	-1.7%	-3.5%	-5.4%	-7.3%
Book Gain/Loss	7,496,231	6,037,216	4,521,420	2,975,282	1,251,608	-753,935	-2,954,207	-5,212,057	-7,450,930
Gain/Loss %	6.33%	5.10%	3.82%	2.51%	1.06%	-0.64%	-2.49%	-4.40%	-6.29%
Average Life	1.2	1.2	1.3	1.3	1.7	2.2	2.3	2.3	2.3
Effective Duration	1.1	1.1	1.2	1.3	1.6	1.8	2.0	2.0	2.1
Effective Convexity	0.0	0.0	0.0	-0.1	-0.2	-0.2	0.0	0.0	0.0

Treasury/Agency Contribution to Total Portfolio Measures

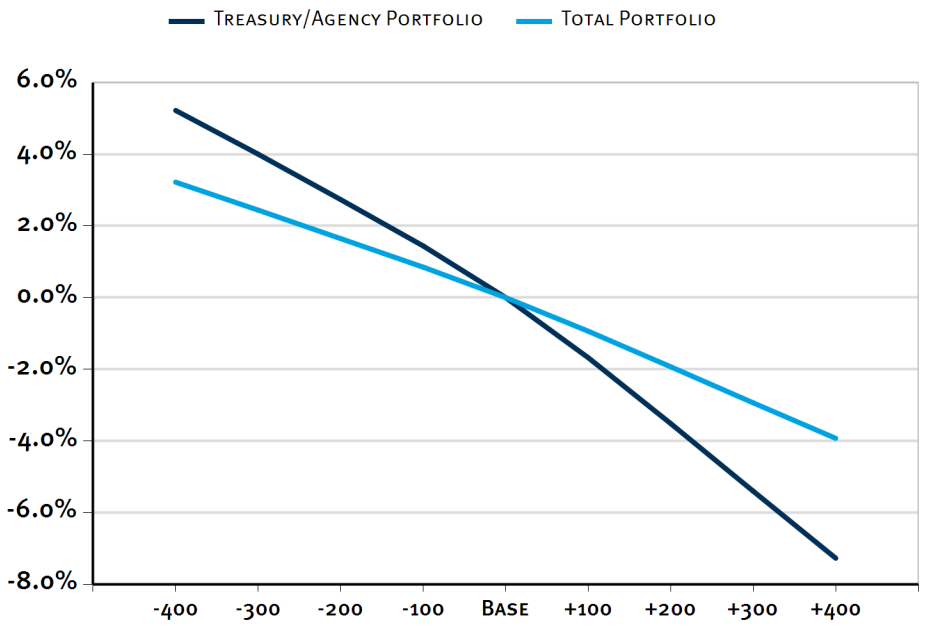


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Treasury/Agency Sector Yield @ Book vs Total Portfolio



Treasury/Agency Sector Price Volatility vs Total Portfolio

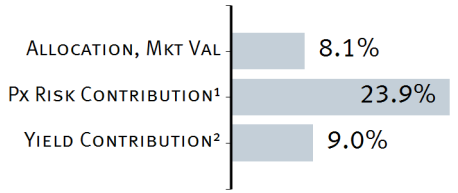


Sector Analysis

Corporate Sector Portfolio

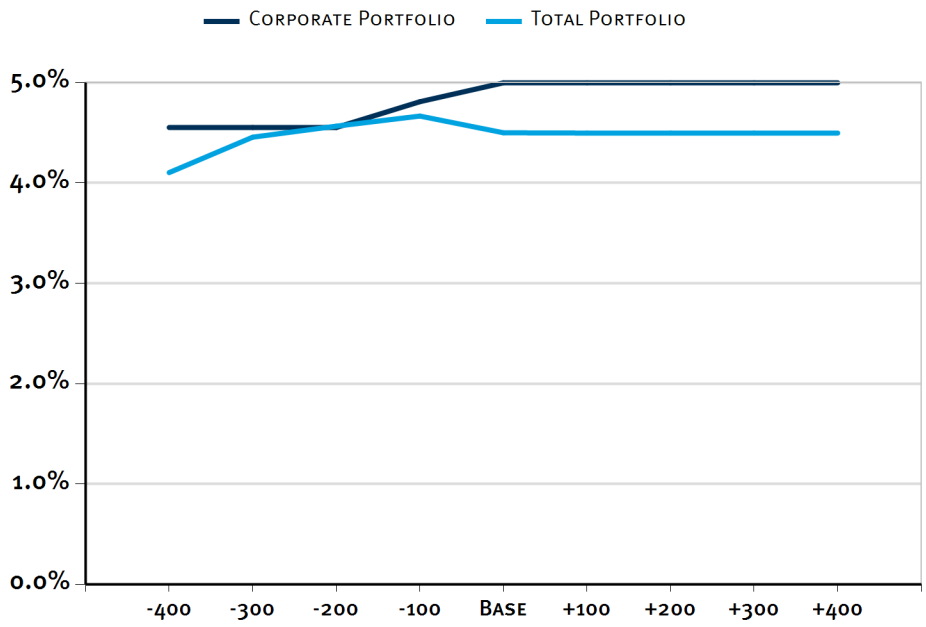
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	25	25	25	25	25	25	25	25	25
Current Face	25,656,000	25,656,000	25,656,000	25,656,000	25,656,000	25,656,000	25,656,000	25,656,000	25,656,000
Book Value	25,470,685	25,470,685	25,470,685	25,470,685	25,470,685	25,470,685	25,470,685	25,470,685	25,470,685
Book Price	99.28	99.28	99.28	99.28	99.28	99.28	99.28	99.28	99.28
Proj. Yld. At Book Px.	4.55%	4.55%	4.55%	4.81%	5.00%	5.00%	5.00%	5.00%	5.00%
Market Value	28,425,235	27,607,890	26,807,384	26,027,708	25,260,181	24,505,800	23,770,951	23,059,435	22,373,820
Market Price	110.79	107.61	104.49	101.45	98.46	95.52	92.65	89.88	87.21
Market Yield	0.43%	1.42%	2.43%	3.48%	4.48%	5.45%	6.44%	7.43%	8.43%
% Price Change	12.5%	9.3%	6.1%	3.0%	0.0%	-3.0%	-5.9%	-8.7%	-11.4%
Book Gain/Loss	2,954,551	2,137,205	1,336,699	557,023	-210,504	-964,885	-1,699,733	-2,411,250	-3,096,865
Gain/Loss %	11.60%	8.39%	5.25%	2.19%	-0.83%	-3.79%	-6.67%	-9.47%	-12.16%
Average Life	3.1	3.1	3.1	3.1	3.4	3.5	3.5	3.5	3.5
Effective Duration	2.8	2.9	2.9	3.0	3.0	3.1	3.1	3.1	3.1
Effective Convexity	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1

Corporate Contribution to Total Portfolio Measures

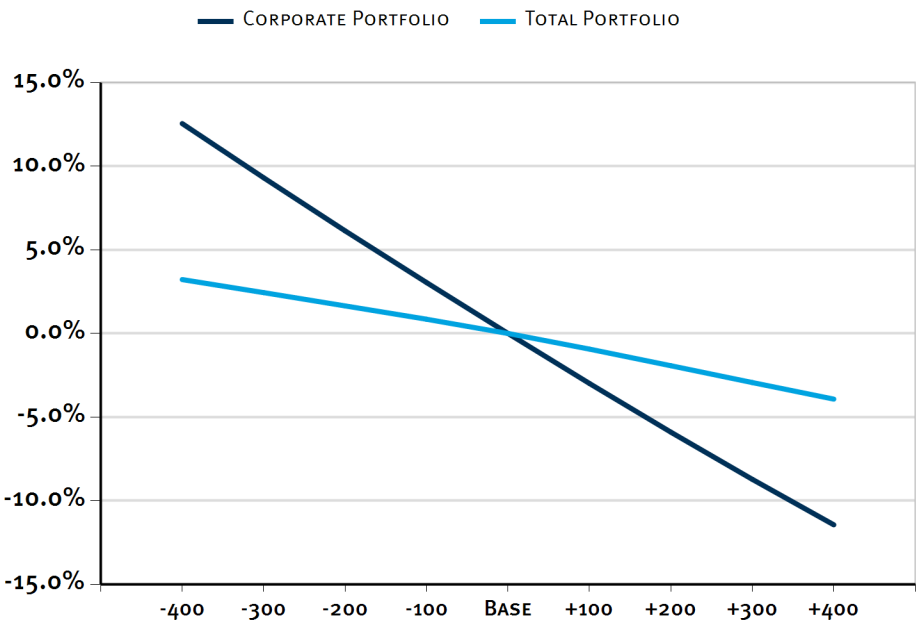


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Corporate Sector Yield @ Book vs Total Portfolio



Corporate Sector Price Volatility vs Total Portfolio

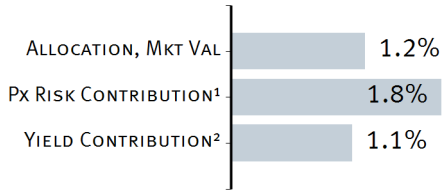


Sector Analysis

CD Sector Portfolio

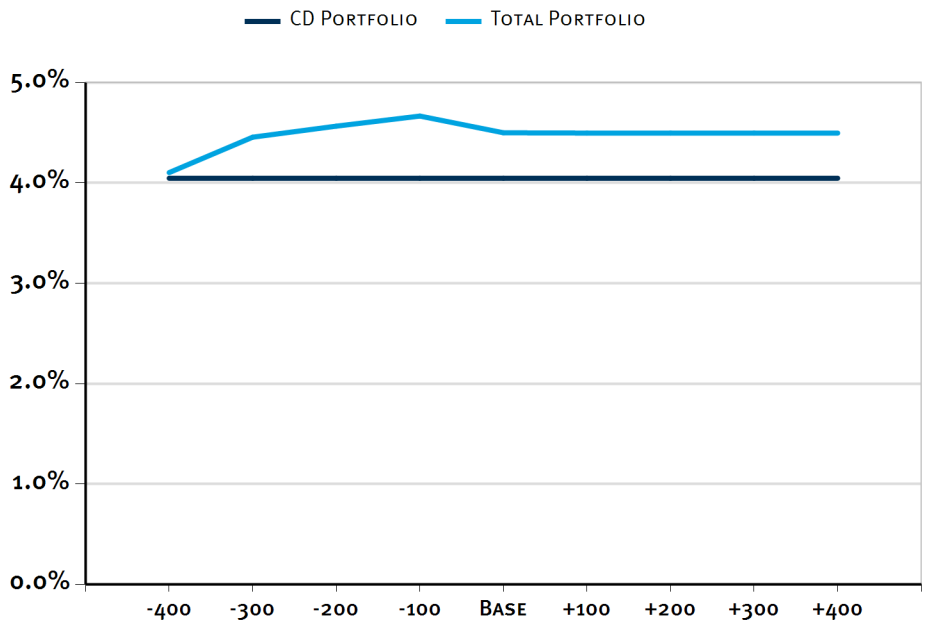
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	15	15	15	15	15	15	15	15	15
Current Face	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000
Book Value	3,699,418	3,699,418	3,699,418	3,699,418	3,699,418	3,699,418	3,699,418	3,699,418	3,699,418
Book Price	100.12	100.12	100.12	100.12	100.12	100.12	100.12	100.12	100.12
Proj. Yld. At Book Px.	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%
Market Value	3,875,366	3,833,243	3,791,506	3,749,974	3,704,163	3,650,678	3,592,563	3,532,914	3,473,714
Market Price	104.88	103.74	102.61	101.49	100.25	98.80	97.23	95.61	94.01
Market Yield	0.81%	1.56%	2.33%	3.11%	3.94%	4.83%	5.78%	6.77%	7.77%
% Price Change	4.6%	3.5%	2.4%	1.2%	0.0%	-1.4%	-3.0%	-4.6%	-6.2%
Book Gain/Loss	175,950	133,827	92,089	50,557	4,746	-48,739	-106,854	-166,502	-225,703
Gain/Loss %	4.76%	3.62%	2.49%	1.37%	0.13%	-1.32%	-2.89%	-4.50%	-6.10%
Average Life	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Effective Duration	1.0	1.0	1.1	1.1	1.3	1.5	1.7	1.7	1.8
Effective Convexity	0.0	0.0	0.0	-0.1	-0.2	-0.1	0.0	0.0	0.0

CD Contribution to Total Portfolio Measures

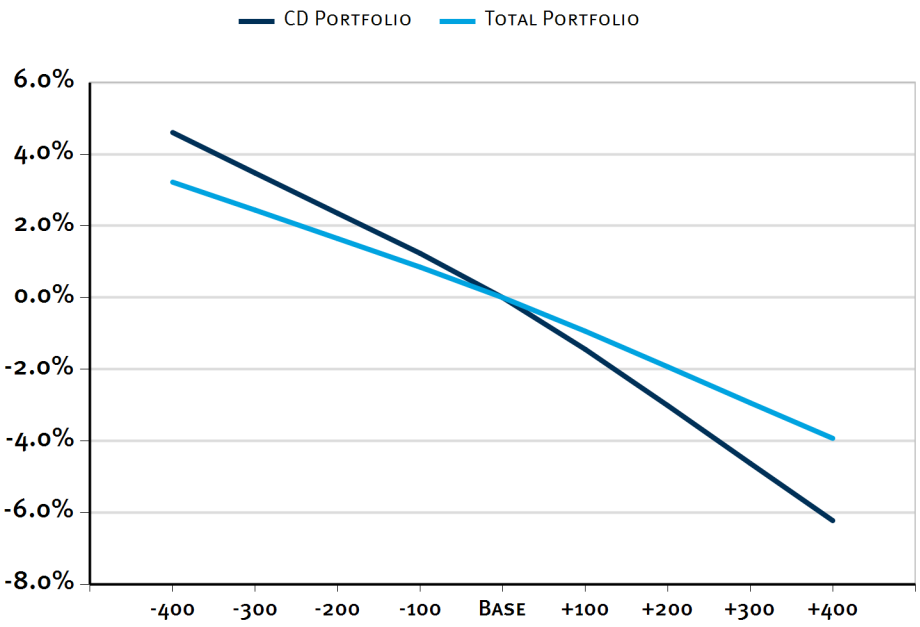


[1] Risk - Sector px. vol. +300 as % of total port. px. vol
[2] Yield - Sector yield as a % of total port. yield.

CD Sector Yield @ Book vs Total Portfolio



CD Sector Price Volatility vs Total Portfolio

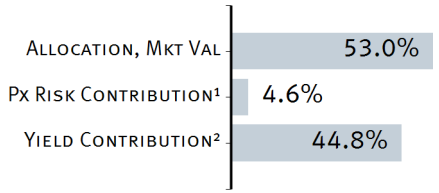


Sector Analysis

Other Sector Portfolio

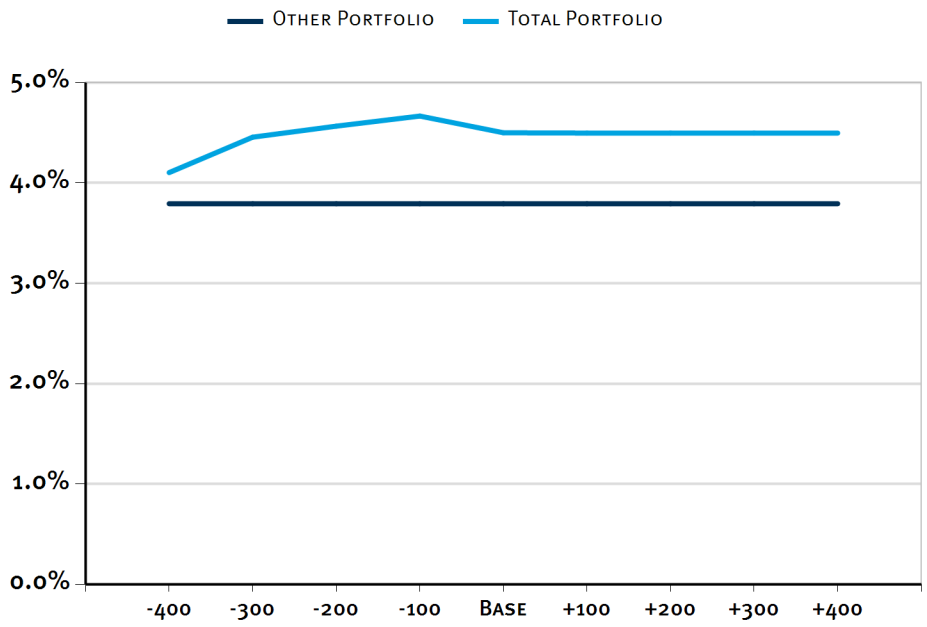
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	2	2	2	2	2	2	2	2	2
Current Face	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609
Book Value	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609	167,428,609
Book Price	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Proj. Yld. At Book Px.	3.79%	3.79%	3.79%	3.79%	3.79%	3.79%	3.79%	3.79%	3.79%
Market Value	167,995,857	167,856,891	167,713,572	167,570,756	167,428,609	167,286,797	167,145,487	167,004,680	166,864,207
Market Price	100.34	100.26	100.17	100.08	100.00	99.92	99.83	99.75	99.66
Market Yield	-0.24%	0.74%	1.76%	2.77%	3.79%	4.82%	5.84%	6.87%	7.90%
% Price Change	0.3%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	567,248	428,282	284,963	142,147	0	-141,812	-283,122	-423,929	-564,402
Gain/Loss %	0.34%	0.26%	0.17%	0.08%	0.00%	-0.08%	-0.17%	-0.25%	-0.34%
Average Life	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Effective Duration	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Effective Convexity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Other Contribution to Total Portfolio Measures

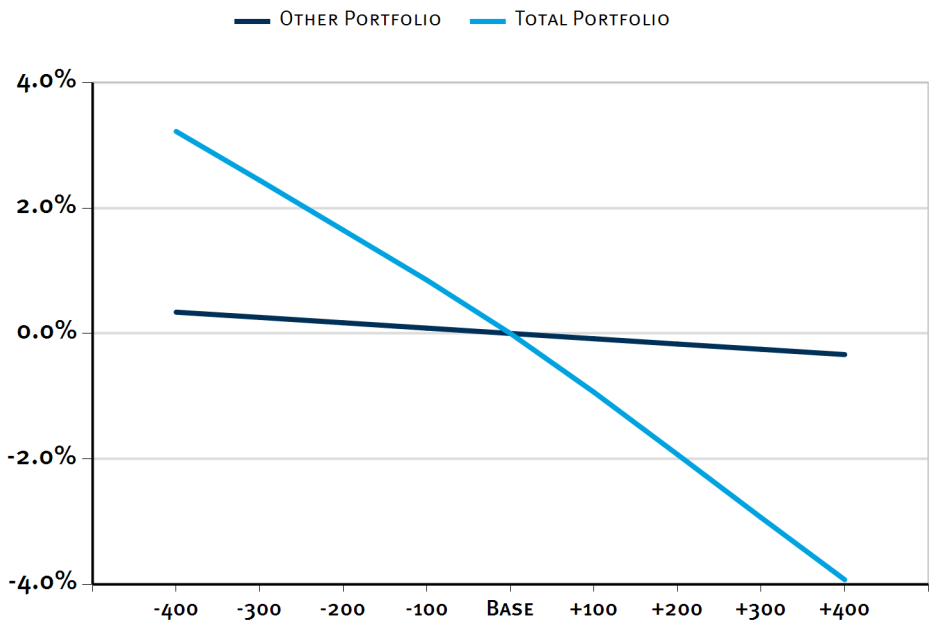


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Other Sector Yield @ Book vs Total Portfolio



Other Sector Price Volatility vs Total Portfolio



Cashflow Analysis

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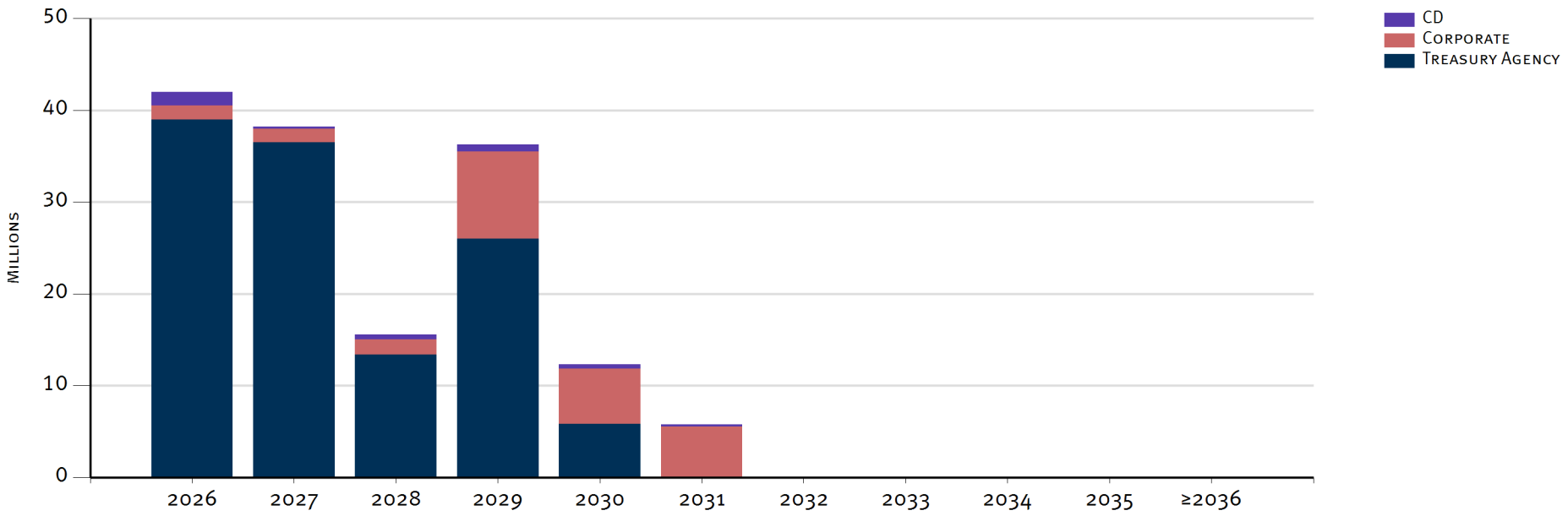
Cash Flow Analysis

Annual Base

Annual Cash Flows by Sector (Base)

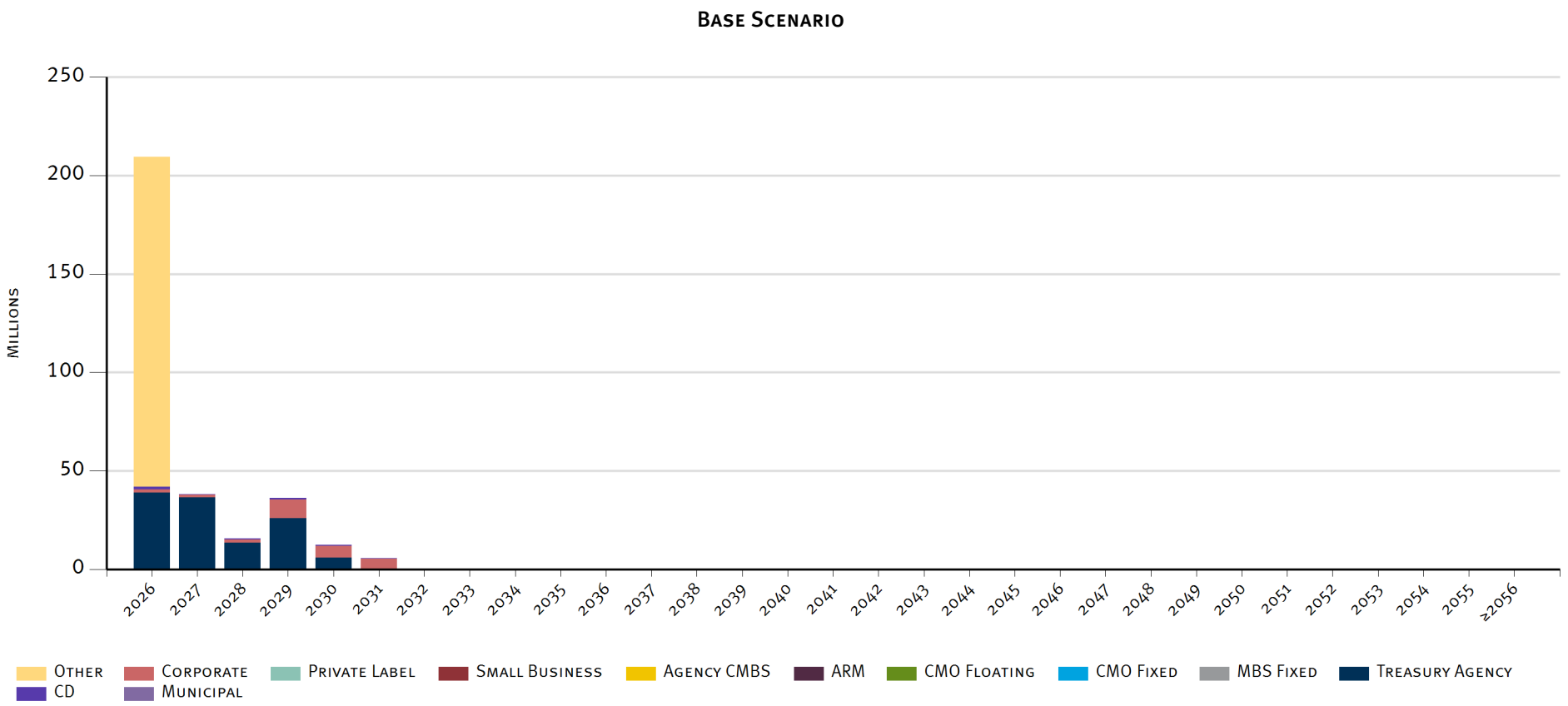
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥2036
Treasury/Agency	39,000,000	36,500,000	13,400,000	26,000,000	5,830,000	0	0	0	0	0	0
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0
ARM	0	0	0	0	0	0	0	0	0	0	0
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0
CMO Floating	0	0	0	0	0	0	0	0	0	0	0
Agency CMBS	0	0	0	0	0	0	0	0	0	0	0
Small Business	0	0	0	0	0	0	0	0	0	0	0
Private Label	0	0	0	0	0	0	0	0	0	0	0
Municipal	0	0	0	0	0	0	0	0	0	0	0
Corporate	1,500,000	1,500,000	1,656,000	9,500,000	6,000,000	5,500,000	0	0	0	0	0
CD	1,465,000	240,000	495,000	745,000	500,000	250,000	0	0	0	0	0
Other	167,428,609	0	0	0	0	0	0	0	0	0	0
Total	**209,393,609**	**38,240,000**	**15,551,000**	**36,245,000**	**12,330,000**	**5,750,000**	**0**	**0**	**0**	**0**	**0**
% of Total Portfolio	66.0%	12.0%	4.9%	11.4%	3.9%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%

Annual Cash Flows by Sector (Base)



Cash Flow Analysis

Cash Flows By Sector - Next 30 Years



Cash Flow Analysis

Annual Shocked

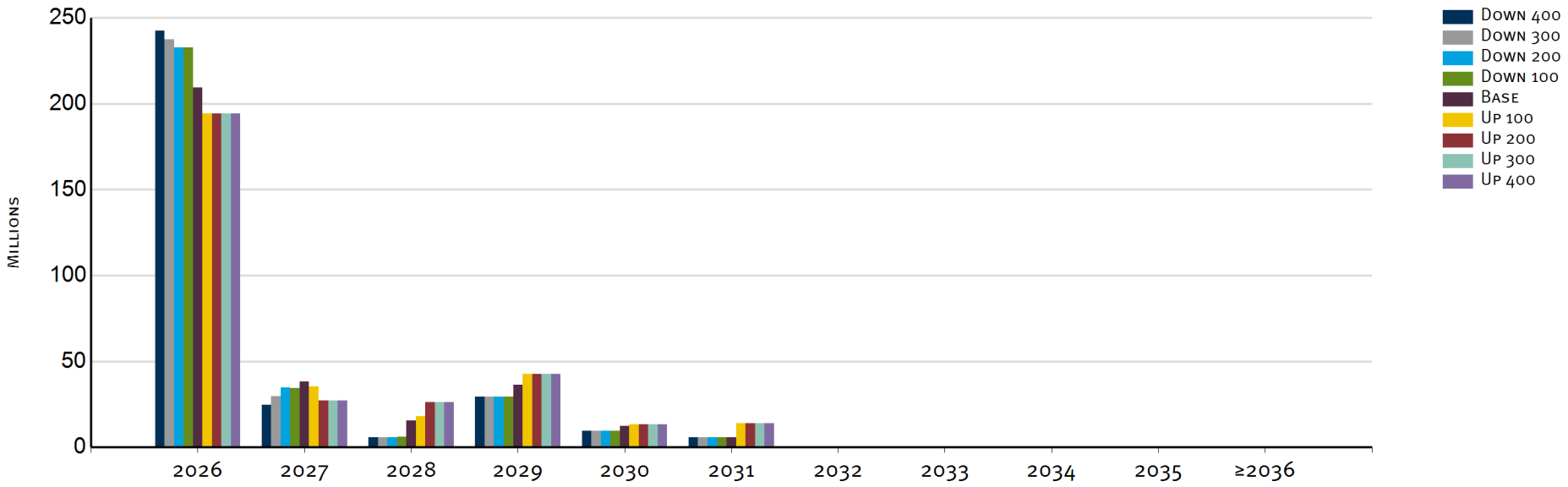
Shocked Annual Portfolio Cash Flows

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	242,623,609	24,740,000	5,651,000	29,245,000	9,500,000	5,750,000	0	0	0	0	0
Down 300	237,623,609	29,740,000	5,651,000	29,245,000	9,500,000	5,750,000	0	0	0	0	0
Down 200	232,623,609	34,740,000	5,651,000	29,245,000	9,500,000	5,750,000	0	0	0	0	0
Down 100	232,623,609	34,240,000	6,151,000	29,245,000	9,500,000	5,750,000	0	0	0	0	0
Base	**209,393,609**	**38,240,000**	**15,551,000**	**36,245,000**	**12,330,000**	**5,750,000**	**0**	**0**	**0**	**0**	**0**
Up 100	194,393,609	35,240,000	18,051,000	42,745,000	13,330,000	13,750,000	0	0	0	0	0
Up 200	194,393,609	27,240,000	26,051,000	42,745,000	13,330,000	13,750,000	0	0	0	0	0
Up 300	194,393,609	27,240,000	26,051,000	42,745,000	13,330,000	13,750,000	0	0	0	0	0
Up 400	194,393,609	27,240,000	26,051,000	42,745,000	13,330,000	13,750,000	0	0	0	0	0

Change in Shocked Annual Portfolio Cash Flows from Base

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	33,230,000	(13,500,000)	(9,900,000)	(7,000,000)	(2,830,000)	0	0	0	0	0	0
Down 300	28,230,000	(8,500,000)	(9,900,000)	(7,000,000)	(2,830,000)	0	0	0	0	0	0
Down 200	23,230,000	(3,500,000)	(9,900,000)	(7,000,000)	(2,830,000)	0	0	0	0	0	0
Down 100	23,230,000	(4,000,000)	(9,400,000)	(7,000,000)	(2,830,000)	0	0	0	0	0	0
Up 100	(15,000,000)	(3,000,000)	2,500,000	6,500,000	1,000,000	8,000,000	0	0	0	0	0
Up 200	(15,000,000)	(11,000,000)	10,500,000	6,500,000	1,000,000	8,000,000	0	0	0	0	0
Up 300	(15,000,000)	(11,000,000)	10,500,000	6,500,000	1,000,000	8,000,000	0	0	0	0	0
Up 400	(15,000,000)	(11,000,000)	10,500,000	6,500,000	1,000,000	8,000,000	0	0	0	0	0

Shocked Annual Portfolio Cash Flows

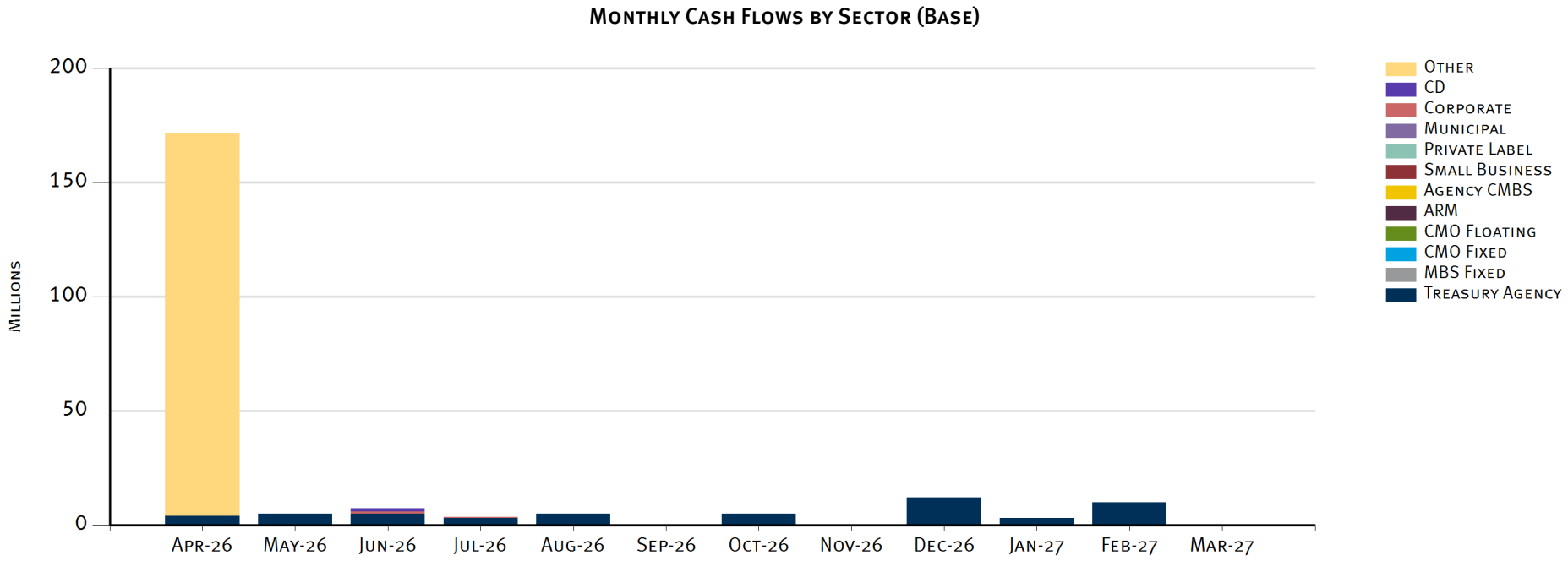


Cash Flow Analysis

Monthly Base

Monthly Cash Flows by Sector (Base)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total	% of Total Portfolio
Treasury/Agency	4,000,000	5,000,000	5,000,000	3,000,000	5,000,000	0	5,000,000	0	12,000,000	3,000,000	10,000,000	0	52,000,000	16.4%
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ARM	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CMO Floating	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Agency CMBS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Small Business	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Private Label	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Municipal	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Corporate	0	0	1,000,000	500,000	0	0	0	0	0	0	0	0	1,500,000	0.5%
CD	0	0	1,465,000	0	0	0	0	0	0	0	0	0	1,465,000	0.5%
Other	167,428,609	0	0	0	0	0	0	0	0	0	0	0	167,428,609	52.7%
Total	**171,428,609**	**5,000,000**	**7,465,000**	**3,500,000**	**5,000,000**	**0**	**5,000,000**	**0**	**12,000,000**	**3,000,000**	**10,000,000**	**0**	**222,393,609**	**70.0%**
% of Total Portfolio	54.0%	1.6%	2.4%	1.1%	1.6%	0.0%	1.6%	0.0%	3.8%	0.9%	3.2%	0.0%	70.0%	



Cash Flow Analysis

Monthly Shocked

Shocked Monthly Portfolio Cash Flows (Year 1)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total
Down 400	190,428,609	19,000,000	9,465,000	3,500,000	6,500,000	5,900,000	0	830,000	7,000,000	4,500,000	2,000,000	4,000,000	253,123,609
Down 300	185,428,609	14,000,000	9,465,000	3,500,000	6,500,000	5,900,000	5,000,000	830,000	7,000,000	4,500,000	7,000,000	4,000,000	253,123,609
Down 200	180,428,609	9,000,000	9,465,000	3,500,000	6,500,000	5,900,000	5,000,000	830,000	12,000,000	4,500,000	12,000,000	4,000,000	253,123,609
Down 100	174,928,609	9,000,000	9,965,000	3,500,000	6,500,000	5,900,000	5,000,000	5,000,000	12,830,000	4,500,000	12,000,000	4,000,000	253,123,609
Base	**171,428,609**	**5,000,000**	**7,465,000**	**3,500,000**	**5,000,000**	**0**	**5,000,000**	**0**	**12,000,000**	**3,000,000**	**10,000,000**	**0**	**222,393,609**
Up 100	171,428,609	0	7,465,000	500,000	0	0	5,000,000	0	10,000,000	0	15,000,000	0	209,393,609
Up 200	171,428,609	0	7,465,000	500,000	0	0	5,000,000	0	10,000,000	0	10,000,000	0	204,393,609
Up 300	171,428,609	0	7,465,000	500,000	0	0	5,000,000	0	10,000,000	0	10,000,000	0	204,393,609
Up 400	171,428,609	0	7,465,000	500,000	0	0	5,000,000	0	10,000,000	0	10,000,000	0	204,393,609

Change in Monthly Cash Flows from Base (Year 1)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total
Down 400	19,000,000	14,000,000	2,000,000	0	1,500,000	5,900,000	(5,000,000)	830,000	(5,000,000)	1,500,000	(8,000,000)	4,000,000	30,730,000
Down 300	14,000,000	9,000,000	2,000,000	0	1,500,000	5,900,000	0	830,000	(5,000,000)	1,500,000	(3,000,000)	4,000,000	30,730,000
Down 200	9,000,000	4,000,000	2,000,000	0	1,500,000	5,900,000	0	830,000	0	1,500,000	2,000,000	4,000,000	30,730,000
Down 100	3,500,000	4,000,000	2,500,000	0	1,500,000	5,900,000	0	5,000,000	830,000	1,500,000	2,000,000	4,000,000	30,730,000
Up 100	0	(5,000,000)	0	(3,000,000)	(5,000,000)	0	0	0	(2,000,000)	(3,000,000)	5,000,000	0	(13,000,000)
Up 200	0	(5,000,000)	0	(3,000,000)	(5,000,000)	0	0	0	(2,000,000)	(3,000,000)	0	0	(18,000,000)
Up 300	0	(5,000,000)	0	(3,000,000)	(5,000,000)	0	0	0	(2,000,000)	(3,000,000)	0	0	(18,000,000)
Up 400	0	(5,000,000)	0	(3,000,000)	(5,000,000)	0	0	0	(2,000,000)	(3,000,000)	0	0	(18,000,000)

Shocked Monthly Portfolio Cash Flows (Year 2)

	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Total
Down 400	500,000	0	5,000,000	3,500,000	0	2,500,000	2,000,000	0	740,000	0	906,000	0	15,146,000
Down 300	500,000	0	5,000,000	3,500,000	0	2,500,000	2,000,000	0	740,000	0	906,000	0	15,146,000
Down 200	500,000	0	5,000,000	3,500,000	0	2,500,000	2,000,000	0	740,000	0	906,000	0	15,146,000
Down 100	0	0	5,500,000	3,500,000	0	2,500,000	2,000,000	0	240,000	500,000	906,000	0	15,146,000
Base	**5,500,000**	**1,500,000**	**7,500,000**	**4,000,000**	**0**	**2,500,000**	**2,000,000**	**0**	**2,240,000**	**0**	**906,000**	**2,500,000**	**28,646,000**
Up 100	5,500,000	0	5,000,000	4,000,000	0	2,500,000	2,000,000	0	1,240,000	0	906,000	3,000,000	24,146,000
Up 200	5,500,000	0	5,000,000	1,000,000	0	2,500,000	2,000,000	0	1,240,000	0	906,000	3,000,000	21,146,000
Up 300	5,500,000	0	5,000,000	1,000,000	0	2,500,000	2,000,000	0	1,240,000	0	906,000	3,000,000	21,146,000
Up 400	5,500,000	0	5,000,000	1,000,000	0	2,500,000	2,000,000	0	1,240,000	0	906,000	3,000,000	21,146,000

Change in Monthly Cash Flows from Base (Year 2)

	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Total
Down 400	(5,000,000)	(1,500,000)	(2,500,000)	(500,000)	0	0	0	0	(1,500,000)	0	0	(2,500,000)	(13,500,000)
Down 300	(5,000,000)	(1,500,000)	(2,500,000)	(500,000)	0	0	0	0	(1,500,000)	0	0	(2,500,000)	(13,500,000)
Down 200	(5,000,000)	(1,500,000)	(2,500,000)	(500,000)	0	0	0	0	(1,500,000)	0	0	(2,500,000)	(13,500,000)
Down 100	(5,500,000)	(1,500,000)	(2,000,000)	(500,000)	0	0	0	0	(2,000,000)	500,000	0	(2,500,000)	(13,500,000)
Up 100	0	(1,500,000)	(2,500,000)	0	0	0	0	0	(1,000,000)	0	0	500,000	(4,500,000)
Up 200	0	(1,500,000)	(2,500,000)	(3,000,000)	0	0	0	0	(1,000,000)	0	0	500,000	(7,500,000)
Up 300	0	(1,500,000)	(2,500,000)	(3,000,000)	0	0	0	0	(1,000,000)	0	0	500,000	(7,500,000)
Up 400	0	(1,500,000)	(2,500,000)	(3,000,000)	0	0	0	0	(1,000,000)	0	0	500,000	(7,500,000)

Cash Flow Analysis

Yield Forecaster

	Down 100 (3.47% Assumed Reinvestment Rate)[1]					Base Case (4.47% Assumed Reinvestment Rate)[1]					Up 100 (5.47% Assumed Reinvestment Rate)[1]				
	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield
Apr-26	174,928,609	55.1%	3.65	6.02	4.62	171,428,609	54.0%	3.65	5.61	5.00	171,428,609	54.0%	3.65	5.61	5.53
May-26	9,000,000	57.9%	9.87	5.76	4.43	5,000,000	55.6%	5.11	5.63	4.99	0	54.0%	0.00	5.61	5.53
Jun-26	9,965,000	61.1%	4.77	5.84	4.39	7,465,000	57.9%	5.74	5.62	4.96	7,465,000	56.3%	5.74	5.60	5.53
Jul-26	3,500,000	62.2%	6.04	5.83	4.36	3,500,000	59.0%	6.04	5.61	4.94	500,000	56.5%	15.49	5.56	5.51
Aug-26	6,500,000	64.2%	4.12	5.93	4.35	5,000,000	60.6%	4.09	5.67	4.94	0	56.5%	0.00	5.56	5.51
Sep-26	5,900,000	66.1%	3.87	6.04	4.34	0	60.6%	0.00	5.67	4.94	0	56.5%	0.00	5.56	5.51
Oct-26	5,000,000	67.6%	18.49	5.44	4.11	5,000,000	62.2%	18.49	5.14	4.72	5,000,000	58.1%	18.49	5.08	5.31
Nov-26	5,000,000	69.2%	9.79	5.21	4.01	0	62.2%	0.00	5.14	4.72	0	58.1%	0.00	5.08	5.31
Dec-26	12,830,000	73.3%	5.32	5.18	3.93	12,000,000	65.9%	5.46	5.09	4.68	10,000,000	61.2%	5.68	5.02	5.29
Jan-27	4,500,000	74.7%	4.54	5.21	3.91	3,000,000	66.9%	4.25	5.11	4.68	0	61.2%	0.00	5.02	5.29
Feb-27	12,000,000	78.5%	11.14	4.15	3.62	10,000,000	70.0%	12.69	4.31	4.42	15,000,000	65.9%	10.02	4.30	5.07
Mar-27	4,000,000	79.7%	4.11	4.15	3.61	0	70.0%	0.00	4.31	4.42	0	65.9%	0.00	4.30	5.07
Apr-27	0	79.7%	0.00	4.15	3.61	5,500,000	71.8%	7.21	4.14	4.38	5,500,000	67.7%	7.21	4.14	5.04
May-27	0	79.7%	0.00	4.15	3.61	1,500,000	72.2%	4.22	4.13	4.38	0	67.7%	0.00	4.14	5.04
Jun-27	5,500,000	81.5%	5.22	4.05	3.58	7,500,000	74.6%	4.64	4.09	4.37	5,000,000	69.3%	4.96	4.10	5.05
Jul-27	3,500,000	82.6%	4.55	4.02	3.57	4,000,000	75.9%	4.92	4.04	4.37	4,000,000	70.5%	4.95	4.06	5.06
Aug-27	0	82.6%	0.00	4.02	3.57	0	75.9%	0.00	4.04	4.37	0	70.5%	0.00	4.06	5.06
Sep-27	2,500,000	83.3%	3.47	4.05	3.57	2,500,000	76.7%	3.47	4.06	4.38	2,500,000	71.3%	3.47	4.08	5.07
Oct-27	2,000,000	84.0%	4.27	4.04	3.56	2,000,000	77.3%	4.27	4.06	4.38	2,000,000	71.9%	4.27	4.07	5.08
Nov-27	0	84.0%	0.00	4.04	3.56	0	77.3%	0.00	4.06	4.38	0	71.9%	0.00	4.07	5.08
Dec-27	240,000	84.0%	3.97	4.04	3.56	2,240,000	78.0%	4.00	4.06	4.38	1,240,000	72.3%	4.25	4.07	5.08
Jan-28	500,000	84.2%	6.18	4.02	3.56	0	78.0%	0.00	4.06	4.38	0	72.3%	0.00	4.07	5.08
Feb-28	906,000	84.5%	3.91	4.02	3.56	906,000	78.3%	3.91	4.06	4.38	906,000	72.6%	3.91	4.07	5.09
Mar-28	0	84.5%	0.00	4.02	3.56	2,500,000	79.1%	4.40	4.05	4.38	3,000,000	73.6%	4.32	4.06	5.10
Apr-28	2,000,000	85.1%	3.71	4.03	3.56	2,000,000	79.7%	3.71	4.06	4.39	2,000,000	74.2%	3.71	4.07	5.11
May-28	0	85.1%	0.00	4.03	3.56	4,000,000	81.0%	4.68	4.02	4.38	0	74.2%	0.00	4.07	5.11
Jun-28	245,000	85.2%	5.07	4.03	3.55	1,645,000	81.5%	3.95	4.02	4.39	245,000	74.3%	5.07	4.07	5.11
Jul-28	500,000	85.4%	4.09	4.03	3.55	500,000	81.6%	4.09	4.02	4.39	500,000	74.4%	4.09	4.07	5.11
Aug-28	0	85.4%	0.00	4.03	3.55	0	81.6%	0.00	4.02	4.39	5,000,000	76.0%	4.10	4.07	5.13
Sep-28	0	85.4%	0.00	4.03	3.55	0	81.6%	0.00	4.02	4.39	1,400,000	76.4%	3.76	4.07	5.14
Oct-28	0	85.4%	0.00	4.03	3.55	0	81.6%	0.00	4.02	4.39	3,000,000	77.4%	4.25	4.07	5.15
Nov-28	2,000,000	86.0%	3.55	4.05	3.55	2,000,000	82.3%	3.55	4.04	4.39	2,000,000	78.0%	3.55	4.08	5.17
Dec-28	0	86.0%	0.00	4.05	3.55	2,000,000	82.9%	3.76	4.05	4.40	0	78.0%	0.00	4.08	5.17
Jan-29	1,000,000	86.3%	4.16	4.05	3.55	7,000,000	85.1%	4.05	4.05	4.41	1,000,000	78.3%	4.16	4.08	5.17
Feb-29	3,250,000	87.3%	4.05	4.05	3.54	250,000	85.2%	3.95	4.05	4.41	3,750,000	79.5%	4.13	4.08	5.19
Mar-29	2,750,000	88.2%	4.06	4.05	3.54	2,750,000	86.0%	4.06	4.05	4.41	4,750,000	81.0%	3.93	4.09	5.21

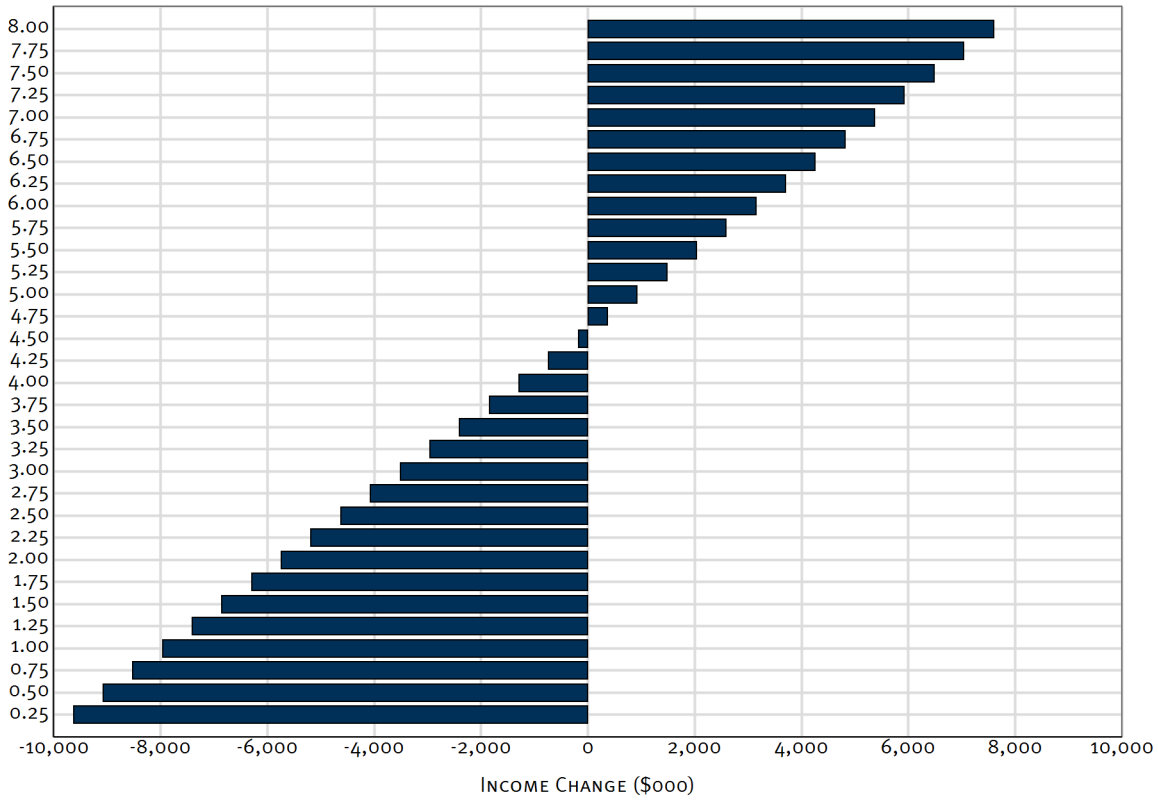
[1] Base reinvestment set at 5 Year Treasury rate +50 basis points

Cash Flow Analysis

Gap Analysis - Potential Income Impact of Principal Reinvestment

Principal Maturing (12 Mo Horizon)	222,394
Current Book Yield of Principal Maturing	4.58%
Estimated Annual Income at Current Book Yield	$10,193

Estimated Impact on Income at Various Reinvestment Yields



Assumed Reinvestment Yield	Estimated Annualized Income	Income Difference From Current Book	Resulting Book Yield
0.25	556	-9,637	1.46
0.50	1,112	-9,081	1.64
0.75	1,668	-8,525	1.81
1.00	2,224	-7,969	1.99
1.25	2,780	-7,413	2.17
1.50	3,336	-6,857	2.34
1.75	3,892	-6,301	2.52
2.00	4,448	-5,745	2.69
2.25	5,004	-5,189	2.87
2.50	5,560	-4,633	3.04
2.75	6,116	-4,077	3.22
3.00	6,672	-3,521	3.39
3.25	7,228	-2,965	3.57
3.50	7,784	-2,409	3.74
3.75	8,340	-1,853	3.92
4.00	8,896	-1,297	4.09
4.25	9,452	-741	4.27
4.50	10,008	-185	4.44
4.75	10,564	371	4.62
5.00	11,120	927	4.79
5.25	11,676	1,483	4.97
5.50	12,232	2,039	5.14
5.75	12,788	2,595	5.32
6.00	13,344	3,151	5.49
6.25	13,900	3,707	5.67
6.50	14,456	4,263	5.84
6.75	15,012	4,819	6.02
7.00	15,568	5,375	6.19
7.25	16,124	5,931	6.37
7.50	16,680	6,487	6.54
7.75	17,236	7,043	6.72
8.00	17,791	7,599	6.89

Cash Flow Analysis

Projected Call and Maturity Report

Projected Call and Maturity Dates by Rate Scenario (Next 12 Months)

Description	CUSIP	Maturity	Next Call Date	Coupon	Current Face	Book Gain/Loss	Yld @ Book	Projected Call / Maturity Date								
								-400	-300	-200	-100	Base	+100	+200	+300	+400
FHLB 1.05 04/29/26	3130AN5C0	4/29/26		1.05%	4,000,000	(21,080)	-2.27%	4/29/26	4/29/26	4/29/26	4/29/26	4/29/26	4/29/26	4/29/26	4/29/26	4/29/26
FFCB 5.17 05/01/28	3133ERCX7	5/1/28	5/1/26	5.17%	5,000,000	6,520	5.11%	5/1/26	5/1/26	5/1/26	5/1/26	5/1/26	2/1/27	5/1/28	5/1/28	5/1/28
BN 4.25 06/02/26	11271LAA0	6/2/26	5/18/26	4.25%	500,000	9,146	16.46%	4/29/26	4/29/26	4/29/26	4/29/26	6/2/26	6/2/26	6/2/26	6/2/26	6/2/26
GS 5.05 06/11/26	38150VUZ0	6/11/26		5.05%	245,000	626	5.03%	6/11/26	6/11/26	6/11/26	6/11/26	6/11/26	6/11/26	6/11/26	6/11/26	6/11/26
FOBRI 5.05 06/15/26	34520LBC6	6/15/26		5.05%	245,000	684	5.08%	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26
BMWG 4.65 06/15/26	05580A4Y7	6/15/26		4.65%	240,000	(3,071)	-2.18%	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26
JPM 3.2 06/15/26	46625HRS1	6/15/26	5/18/26	3.20%	500,000	13,902	18.82%	4/29/26	4/29/26	4/29/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26
USTN 4.125 06/15/26	91282CHH7	6/15/26		4.13%	5,000,000	1,711	3.97%	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26	6/15/26
SBI 5.1 06/17/26	8562855V9	6/17/26		5.10%	245,000	718	5.13%	6/17/26	6/17/26	6/17/26	6/17/26	6/17/26	6/17/26	6/17/26	6/17/26	6/17/26
BAC 5.05 06/22/26	06051XER9	6/22/26		5.05%	245,000	742	5.07%	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26
FRDOM 5.05 06/22/26	35634MAE1	6/22/26		5.05%	245,000	742	5.07%	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26	6/22/26
FHLB 4.55 07/21/28	3130B4QA2	7/21/28	7/21/26	4.55%	3,000,000	4,896	4.53%	7/21/26	7/21/26	7/21/26	7/21/26	7/21/26	7/21/27	7/21/28	7/21/28	7/21/28
MS 3.125 07/27/26	61761J3R8	7/27/26		3.13%	500,000	16,916	15.49%	7/27/26	7/27/26	7/27/26	7/27/26	7/27/26	7/27/26	7/27/26	7/27/26	7/27/26
FNMA 4.1 08/10/28	3136GAGW3	8/10/28	8/10/26	4.10%	5,000,000	(11,965)	4.09%	8/10/26	8/10/26	8/10/26	8/10/26	8/10/26	8/10/28	8/10/28	8/10/28	8/10/28
FHLMC 0.8 10/27/26	3134GW4C7	10/27/26	4/27/26	0.80%	5,000,000	371,585	18.49%	4/27/26	10/27/26	10/27/26	10/27/26	10/27/26	10/27/26	10/27/26	10/27/26	10/27/26
FFCB 4.32 12/02/27	3133ERE23	12/2/27	12/2/26	4.32%	1,000,000	988	4.31%	12/2/26	12/2/26	12/2/26	12/2/26	12/2/26	12/2/27	12/2/27	12/2/27	12/2/27
FHLB 4.5 12/04/29	3130B3XP3	12/4/29	12/4/26	4.50%	1,000,000	1,543	4.49%	12/4/26	12/4/26	12/4/26	12/4/26	12/4/26	12/4/29	12/4/29	12/4/29	12/4/29
FFCB 1.29 12/22/26	3133ENJC5	12/22/26	4/24/26	1.29%	5,000,000	(94,570)	1.29%	4/4/26	4/4/26	12/22/26	12/22/26	12/22/26	12/22/26	12/22/26	12/22/26	12/22/26
USTN 1.75 12/31/26	912828YX2	12/31/26		1.75%	5,000,000	223,313	10.35%	12/31/26	12/31/26	12/31/26	12/31/26	12/31/26	12/31/26	12/31/26	12/31/26	12/31/26
FHLB 4.25 10/30/28	3130B62E5	10/30/28	4/30/26	4.25%	3,000,000	(6,162)	4.25%	4/30/26	4/30/26	4/30/26	4/30/26	1/30/27	10/30/28	10/30/28	10/30/28	10/30/28
FHLB 2 02/25/27	3130AQRH8	2/25/27	5/25/26	2.00%	5,000,000	321,360	11.86%	5/25/26	5/25/26	2/25/27	2/25/27	2/25/27	2/25/27	2/25/27	2/25/27	2/25/27
FHLB 0.9 02/26/27	3130AL5A8	2/26/27	5/26/26	0.90%	5,000,000	382,565	13.55%	5/26/26	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27

Supplemental Analysis

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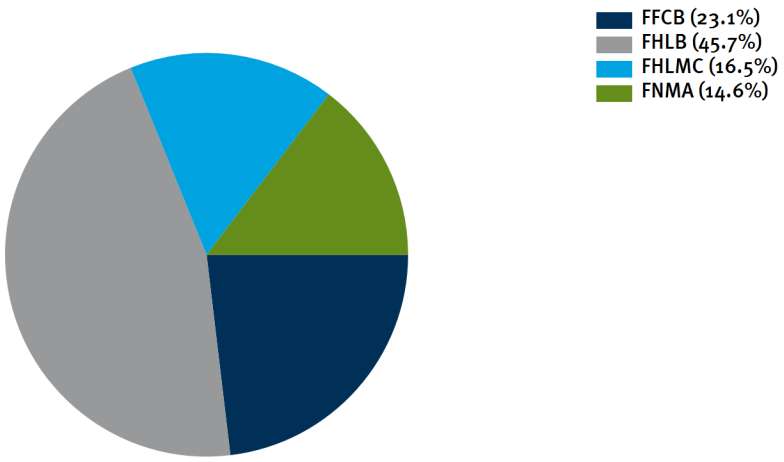
Sector Supplemental Analysis

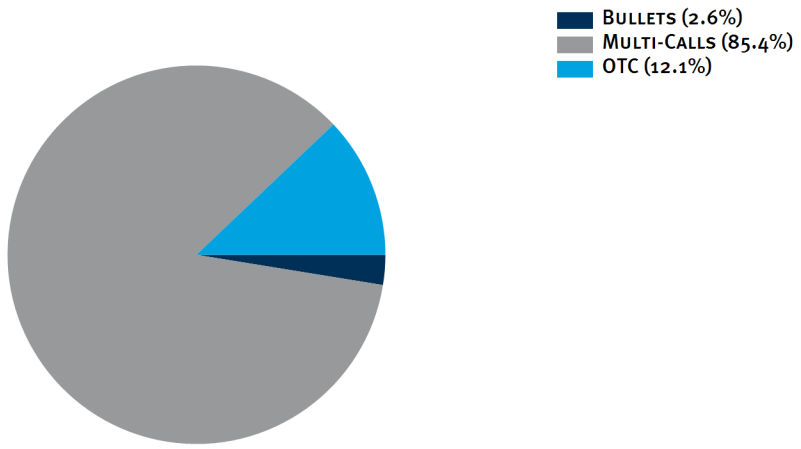
Agency Sector Call Analysis

Agency Structure	-400	-300	-200	-100	Base	+100	+200	+300	+400
Bullets									
Market Value	2,021,186	1,990,900	1,961,219	1,932,126	**1,903,610**	1,875,654	1,848,245	1,821,365	1,795,007
Projected Yield At Book Price	4.27%	4.27%	4.27%	4.27%	**4.27%**	4.27%	4.27%	4.27%	4.27%
Average Life	1.5	1.5	1.5	1.5	**1.5**	1.5	1.5	1.5	1.5
Price Volatility	6.2%	4.6%	3.0%	1.5%	**0.0%**	-1.5%	-2.9%	-4.3%	-5.7%
Multi-Calls									
Market Value	64,891,306	64,707,901	64,447,577	64,116,255	**63,590,088**	62,801,167	61,826,055	60,771,862	59,702,460
Projected Yield At Book Price	4.37%	6.35%	6.79%	7.02%	**6.10%**	6.09%	6.09%	6.09%	6.09%
Average Life	0.3	0.4	0.5	0.5	**1.3**	1.9	2.1	2.1	2.1
Price Volatility	2.0%	1.8%	1.3%	0.8%	**0.0%**	-1.2%	-2.8%	-4.4%	-6.1%
One-Time Callables									
Market Value	9,293,085	9,226,651	9,160,745	9,092,501	**9,000,402**	8,849,871	8,653,170	8,441,950	8,230,418
Projected Yield At Book Price	4.27%	4.27%	4.27%	4.27%	**4.27%**	4.28%	4.28%	4.28%	4.28%
Average Life	0.7	0.7	0.7	0.7	**0.7**	2.8	2.8	2.8	2.8
Price Volatility	3.3%	2.5%	1.8%	1.0%	**0.0%**	-1.7%	-3.9%	-6.2%	-8.6%

Agency Portfolio Allocation by Issuer



Agency Portfolio Allocation by Structure



Sector Supplemental Analysis

MBS and CMO Collateral Analysis

Fixed Rate MBS and CMO Allocation by Collateral Type

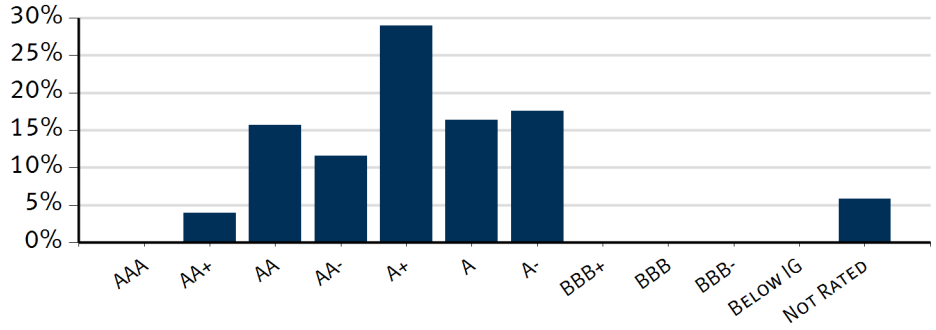
	MBS Portfolio								CMO Portfolio								CMO and MBS Combined							
	FNMA/FHLMC					GNMA			FNMA/FHLMC					GNMA			FNMA/FHLMC					GNMA		
	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other
<2.0%																								
2.00%																								
2.50%																								
3.00%																								
3.50%																								
4.00%																								
4.50%																								
5.00%																								
5.50%																								
6.00%																								
6.50%																								
7.0%+																								

Sector Supplemental Analysis

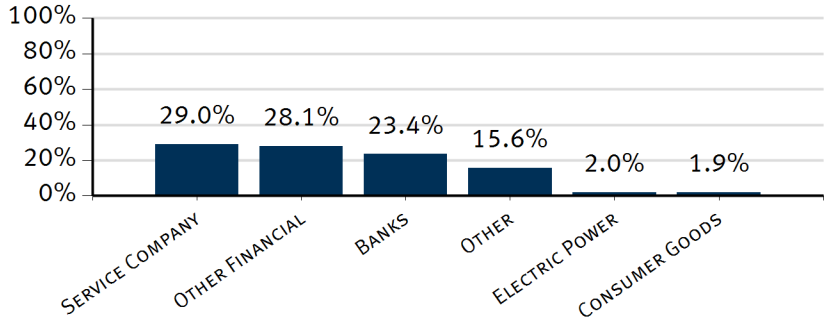
Corporate Portfolio - Analytics by S&P Rating

	Mkt %	Market Value	Projected Yield At Book									Average Life									% Change in Market Value							
			-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
AA+	4.0%	988,100		3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96		4.8	4.8	4.8	4.9	4.9	4.9	4.9	4.9		14.0	9.1	4.4	-4.2	-8.3	-12.1	-15.8
AA	15.7%	3,936,376		4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06		4.3	4.3	4.3	4.4	4.4	4.4	4.4	4.4		12.5	8.1	4.0	-3.8	-7.5	-11.0	-14.3
AA-	11.6%	2,927,099		4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04		3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8		11.0	7.2	3.5	-3.4	-6.6	-9.8	-12.8
A+	29.0%	7,341,962		4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21		3.8	3.8	3.8	4.2	4.3	4.3	4.3	4.3		11.3	7.4	3.7	-3.6	-7.1	-10.5	-13.8
A	16.4%	4,126,841		4.00	4.00	5.73	5.73	5.73	5.73	5.73	5.73		2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5		7.4	4.8	2.4	-2.3	-4.5	-6.7	-8.8
A-	17.6%	4,444,852		6.13	6.13	6.11	5.93	5.93	5.93	5.93	5.93		1.4	1.4	1.4	2.3	2.3	2.3	2.3	2.3		4.5	3.1	1.7	-1.8	-3.8	-5.7	-7.6
Not Rated	5.9%	1,494,952		6.19	6.19	5.79	9.26	9.26	9.26	9.26	9.26		1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.6		4.5	3.0	1.5	-1.5	-2.9	-4.3	-5.7
Total	**100.0%**	**25,260,181**		**4.57**	**4.57**	**4.83**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**		**3.1**	**3.1**	**3.1**	**3.4**	**3.5**	**3.5**	**3.5**	**3.5**		**9.3**	**6.1**	**3.0**	**-3.0**	**-5.9**	**-8.7**	**-11.4**

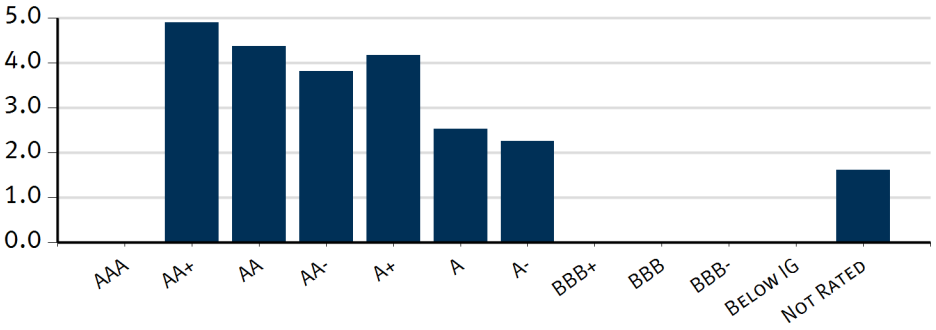
Corporate Sector - Allocation by S&P Rating



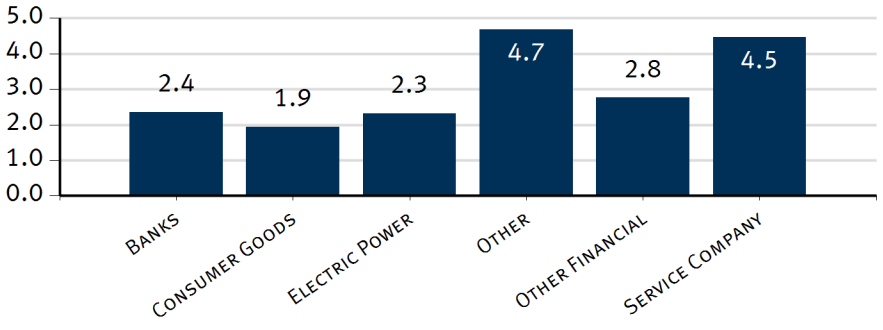
Corporate Sector - Allocation by Industry



Corporate Sector - Weighted Avg Life by S&P Rating



Corporate Sector - Weighted Avg Life by Industry

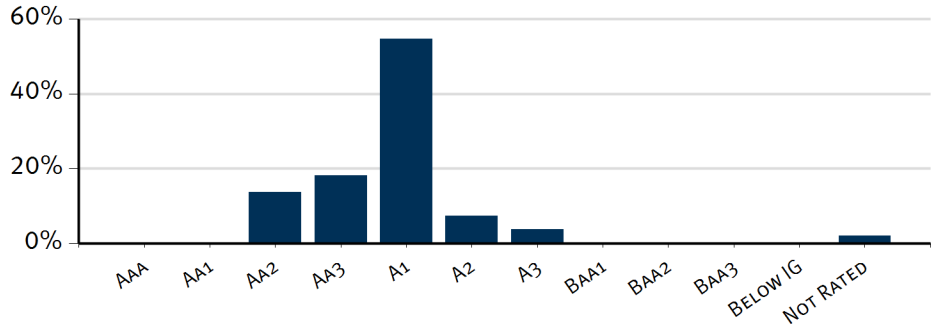


Sector Supplemental Analysis

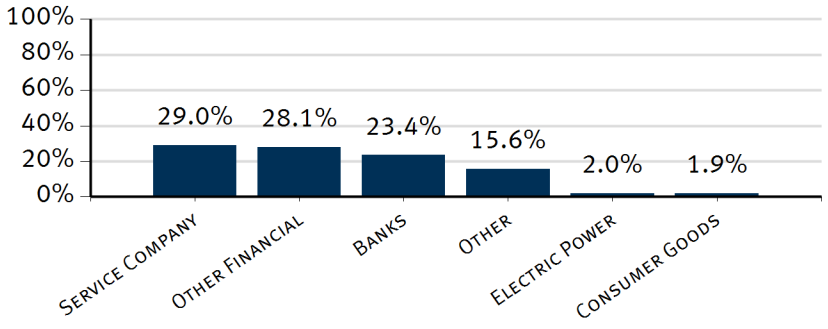
Corporate Portfolio - Analytics by Moody's Rating

			Projected Yield At Book									Average Life									% Change in Market Value							
	Mkt %	Market Value	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
Aa2	13.8%	3,491,899		4.19	4.19	4.19	4.20	4.20	4.20	4.20	4.20		3.2	3.2	3.2	4.1	4.4	4.4	4.4	4.4		10.0	6.7	3.4	-3.4	-6.9	-10.2	-13.5
Aa3	18.2%	4,584,127		3.99	3.99	3.99	3.99	3.99	3.99	3.99	3.99		3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4		9.9	6.5	3.2	-3.1	-6.0	-8.8	-11.6
A1	54.7%	13,801,933		4.51	4.51	5.01	5.01	5.01	5.01	5.01	5.01		3.3	3.3	3.3	3.6	3.6	3.6	3.6	3.6		9.6	6.3	3.1	-3.1	-6.1	-9.0	-11.8
A2	7.4%	1,887,270		6.07	6.07	6.01	5.59	5.59	5.59	5.59	5.59		2.7	2.7	2.7	2.8	2.8	2.8	2.8	2.8		8.0	5.2	2.6	-2.5	-5.0	-7.3	-9.6
A3	3.9%	993,739		8.68	8.68	7.85	12.11	12.11	12.11	12.11	12.11		0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7		1.8	1.2	0.7	-0.7	-1.4	-2.0	-2.7
Not Rated	2.0%	501,213		3.87	3.87	3.87	3.87	3.87	3.87	3.87	3.87		3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4		9.8	6.4	3.1	-3.0	-5.9	-8.7	-11.5
Total	**100.0%**	**25,260,181**		**4.63**	**4.63**	**4.87**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**		**3.1**	**3.1**	**3.1**	**3.4**	**3.5**	**3.5**	**3.5**	**3.5**		**9.3**	**6.1**	**3.0**	**-3.0**	**-5.9**	**-8.7**	**-11.4**

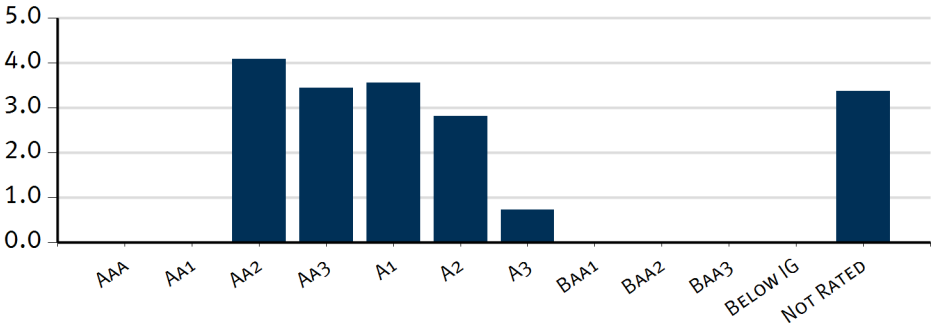
Corporate Sector - Allocation by Moody's Rating



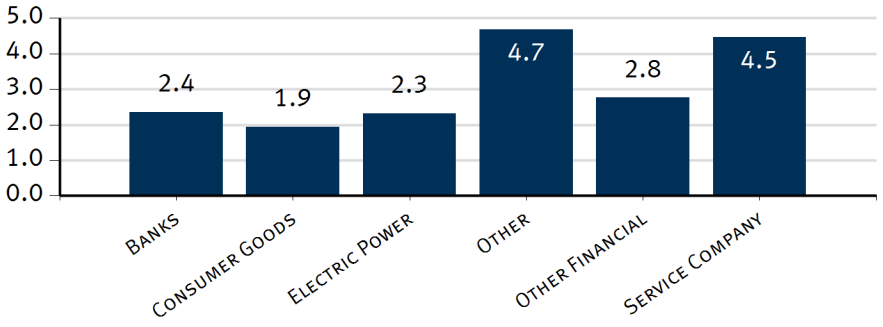
Corporate Sector - Allocation by Industry



Corporate Sector - Weighted Avg Life by Moody's Rating



Corporate Sector - Weighted Avg Life by Industry



Sector Supplemental Analysis

Key Portfolio Sorts

Top 10 Up 300 Market Value Changes (%)

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
38151GAJ0	Other	GOLDMAN SACHS BK CD	4.10	03/12/31	2,000,000	100.00	98.03	-39,390	4.10	5.0	-12.3	-241,020	-280,409	4.4	AFS
023135DD5	Services	AMZN 4.25 03/13/31	4.25	03/13/31	1,500,000	99.68	98.77	-13,710	4.32	5.0	-12.2	-181,257	-194,967	4.4	AFS
02079KBK2	Services	GOOGL 4.1 02/15/31	4.10	02/15/31	1,000,000	100.60	98.81	-17,900	3.96	4.9	-12.1	-119,853	-137,753	4.3	AFS
91282CJQ5	Treasury	USTN 3.75 12/31/30	3.75	12/31/30	1,000,000	99.59	98.74	-8,478	3.85	4.8	-12.0	-118,362	-126,840	4.3	AFS
89236TPH2	Finance	TOYOM 4.2 01/10/31	4.20	01/10/31	1,000,000	99.83	98.09	-17,360	4.24	4.8	-11.9	-116,784	-134,144	4.3	AFS
023135CT1	Services	AMZN 4.1 11/20/30	4.10	11/20/30	1,500,000	100.70	98.52	-32,750	3.93	4.7	-11.6	-171,687	-204,436	4.2	AFS
30303MAB8	Services	META 4.2 11/15/30	4.20	11/15/30	1,500,000	100.70	98.63	-31,067	4.03	4.6	-11.6	-171,058	-202,125	4.1	AFS
91282CPA3	Treasury	USTN 3.625 09/30/30	3.63	09/30/30	3,000,000	100.52	98.36	-64,936	3.50	4.5	-11.5	-338,370	-403,306	4.1	AFS
95004HBB3	Other	WFC 4.15 02/12/31	4.15	02/12/31	2,000,000	100.00	100.00		4.15	4.4	-10.9	-218,706	-218,706	3.5	AFS
91324PDX7	Services	UNH 2 05/15/30	2.00	05/15/30	1,000,000	91.42	90.31	-11,089	4.29	4.1	-10.9	-98,317	-109,406	3.9	AFS
			3.89		15,500,000	99.65	98.13	-236,679	3.98	4.7	-11.7	-1,775,414	-2,012,093	4.1	

Top 10 Up 300 Market Value Changes ($)

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
91282CFY2	Treasury	USTN 3.875 11/30/29	3.88	11/30/29	5,000,000	98.84	99.61	38,469	4.22	3.7	-9.6	-476,103	-437,634	3.4	AFS
91282CFT3	Treasury	USTN 4 10/31/29	4.00	10/31/29	5,000,000	99.77	100.04	13,258	4.07	3.6	-9.4	-467,749	-454,492	3.3	AFS
91282CFL0	Treasury	USTN 3.875 09/30/29	3.88	09/30/29	5,000,000	99.54	99.65	5,422	4.02	3.5	-9.2	-456,978	-451,556	3.2	AFS
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	99.02	-39,344	4.00	2.8	-9.6	-380,785	-420,129	2.2	AFS
91282CPA3	Treasury	USTN 3.625 09/30/30	3.63	09/30/30	3,000,000	100.52	98.36	-64,936	3.50	4.5	-11.5	-338,370	-403,306	4.1	AFS
91282CGB1	Treasury	USTN 3.875 12/31/29	3.88	12/31/29	3,000,000	98.33	99.59	37,678	4.36	3.8	-9.8	-291,295	-253,617	3.5	AFS
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.82	04/30/26	112,826,149	100.00	100.00		3.79	0.1	-0.3	-285,676	-285,676	0.1	AFS
3134HADY6	Callable Agency	FHLMC 4 08/14/29	4.00	08/14/29	4,000,000	98.65	99.20	22,168	4.68	2.1	-7.2	-284,026	-261,858	1.5	AFS
3136GAGW3	Callable Agency	FNMA 4.1 08/10/28	4.10	08/10/28	5,000,000	100.00	99.76	-11,965	4.09	0.4	-5.5	-276,068	-288,033	1.1	AFS
3133ET5K9	Callable Agency	FFCB 4.07 06/26/30	4.07	06/26/30	3,000,000	99.95	98.89	-31,746	4.08	3.6	-8.6	-255,672	-287,418	1.9	AFS
			3.85		149,826,149	99.88	99.86	-30,996	3.87	0.8	-2.4	-3,512,722	-3,543,718	0.7	

Sector Supplemental Analysis

Key Portfolio Sorts

Top 10 Marked To Market Up 300 Loss Positions

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
91282CFT3	Treasury	USTN 4 10/31/29	4.00	10/31/29	5,000,000	99.77	100.04	13,258	4.07	3.6	-9.4	-467,749	-454,492	3.3	AFS
91282CFL0	Treasury	USTN 3.875 09/30/29	3.88	09/30/29	5,000,000	99.54	99.65	5,422	4.02	3.5	-9.2	-456,978	-451,556	3.2	AFS
91282CFY2	Treasury	USTN 3.875 11/30/29	3.88	11/30/29	5,000,000	98.84	99.61	38,469	4.22	3.7	-9.6	-476,103	-437,634	3.4	AFS
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	99.02	-39,344	4.00	2.8	-9.6	-380,785	-420,129	2.2	AFS
91282CPA3	Treasury	USTN 3.625 09/30/30	3.63	09/30/30	3,000,000	100.52	98.36	-64,936	3.50	4.5	-11.5	-338,370	-403,306	4.1	AFS
3136GAGW3	Callable Agency	FNMA 4.1 08/10/28	4.10	08/10/28	5,000,000	100.00	99.76	-11,965	4.09	0.4	-5.5	-276,068	-288,033	1.1	AFS
3133ET5K9	Callable Agency	FFCB 4.07 06/26/30	4.07	06/26/30	3,000,000	99.95	98.89	-31,746	4.08	3.6	-8.6	-255,672	-287,418	1.9	AFS
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.82	04/30/26	112,826,149	100.00	100.00		3.79	0.1	-0.3	-285,676	-285,676	0.1	AFS
38151GAJ0	Other	GOLDMAN SACHS BK CD	4.10	03/12/31	2,000,000	100.00	98.03	-39,390	4.10	5.0	-12.3	-241,020	-280,409	4.4	AFS
3134HADY6	Callable Agency	FHLMC 4 08/14/29	4.00	08/14/29	4,000,000	98.65	99.20	22,168	4.68	2.1	-7.2	-284,026	-261,858	1.5	AFS
			3.85		148,826,149	99.91	99.84	-108,064	3.86	0.8	-2.3	-3,462,447	-3,570,511	0.7	

Top 10 Average Life Extension Up 300bps

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	% Px Δ +300	Eff Dur	WAL	WAL +300	Chg in WAL	INT
3130B3XP3	Callable Agency	FHLB 4.5 12/04/29	4.50	12/04/29	1,000,000	100.00	100.15	1,543	4.49	-7.0	1.3	0.7	3.7	3.0	AFS
3134HCXZ7	Callable Agency	FHLMC 3.7 03/10/31	3.70	03/10/31	2,000,000	99.40	99.35	-1,054	4.02	-9.8	2.3	2.0	5.0	3.0	AFS
3130B4QA2	Callable Agency	FHLB 4.55 07/21/28	4.55	07/21/28	3,000,000	100.00	100.16	4,896	4.53	-4.5	0.7	0.3	2.3	2.0	AFS
3130B4RC7	Callable Agency	FHLB 4.5 07/27/29	4.50	07/27/29	3,000,000	100.00	100.36	10,824	4.50	-7.0	1.8	1.3	3.3	2.0	AFS
3133ERCX7	Callable Agency	FFCB 5.17 05/01/28	5.17	05/01/28	5,000,000	100.00	100.13	6,520	5.11	-2.9	0.2	0.1	2.1	2.0	AFS
3136GAGW3	Callable Agency	FNMA 4.1 08/10/28	4.10	08/10/28	5,000,000	100.00	99.76	-11,965	4.09	-5.5	1.1	0.4	2.4	2.0	AFS
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	99.02	-39,344	4.00	-9.6	2.2	2.8	4.8	2.0	AFS
3134HCE96	Callable Agency	FHLMC 4.21 02/26/29	4.21	02/26/29	1,500,000	100.00	99.72	-4,200	4.22	-5.9	1.2	1.2	2.9	1.8	AFS
3130B9RD4	Callable Agency	FHLB 4 09/10/29	4.00	09/10/29	2,000,000	100.00	99.50	-10,024	4.00	-7.0	1.5	1.7	3.5	1.8	AFS
3130B62E5	Callable Agency	FHLB 4.25 10/30/28	4.25	10/30/28	3,000,000	100.00	99.79	-6,162	4.25	-5.3	0.9	0.9	2.6	1.7	AFS
			4.35		29,500,000	99.96	99.79	-48,966	4.36	-6.1	1.2	1.0	3.1	2.0	

CUSIP Details

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CUSIP Details

Security Details - Treasury/Agency Sector

					Coupon										% Price Change			
CUSIP	FAS	Description	Structure	Current	Type	Rate	Next Step	Maturity	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	-100	+100	+300	Eff Dur
3130AL5A8	AFS	FHLB 0.9 02/26/27	Callable	5,000,000	Fixed	0.900		2/26/27	89.58	13.55	97.23	382,565	8.5%	0.9	0.9	-0.9	-2.6	0.9
3130AN5C0	AFS	FHLB 1.05 04/29/26	Callable	4,000,000	Fixed	1.050		4/29/26	100.26	-2.27	99.73	(21,080)	-0.5%	0.1	0.1	-0.1	-0.2	0.1
3130AQRH8	AFS	FHLB 2 02/25/27	Callable	5,000,000	Fixed	2.000		2/25/27	91.81	11.86	98.24	321,360	7.0%	0.9	0.9	-0.9	-2.6	0.9
3130ARHJ3	AFS	FHLB 3.175 04/19/27	Callable	5,000,000	Fixed	3.180		4/19/27	96.03	7.16	99.17	156,965	3.3%	1.1	0.8	-1.0	-2.9	0.9
3130B3XP3	AFS	FHLB 4.5 12/04/29	Callable	1,000,000	Fixed	4.500		12/4/29	100.00	4.49	100.15	1,543	0.2%	0.7	1.0	-1.7	-7.0	1.3
3130B4QA2	AFS	FHLB 4.55 07/21/28	Callable	3,000,000	Fixed	4.550		7/21/28	100.00	4.53	100.16	4,896	0.2%	0.3	0.4	-1.0	-4.5	0.7
3130B4RC7	AFS	FHLB 4.5 07/27/29	Callable	3,000,000	Fixed	4.500		7/27/29	100.00	4.50	100.36	10,824	0.4%	1.3	1.6	-2.0	-7.0	1.8
3130B62E5	AFS	FHLB 4.25 10/30/28	Callable	3,000,000	Fixed	4.250		10/30/28	100.00	4.25	99.79	(6,162)	-0.2%	0.9	0.3	-1.4	-5.3	0.9
3130B8BF8	AFS	FHLB 3.95 11/06/30	Callable	830,000	Fixed	3.950		11/6/30	100.37	3.86	98.34	(16,836)	-2.0%	4.6	1.9	-2.8	-9.7	2.4
3130B9RD4	AFS	FHLB 4 09/10/29	Callable	2,000,000	Fixed	4.000		9/10/29	100.00	4.00	99.50	(10,024)	-0.5%	1.7	1.1	-1.9	-7.0	1.5
3130B9WM8	AFS	FHLB 4 03/14/28	Callable	2,500,000	Fixed	4.000		3/14/28	100.00	4.00	99.72	(6,948)	-0.3%	1.2	0.8	-1.3	-4.5	1.1
3133ENJC5	AFS	FFCB 1.29 12/22/26	Callable	5,000,000	Fixed	1.290		12/22/26	100.00	1.29	98.11	(94,570)	-1.9%	0.8	0.7	-0.7	-2.1	0.7
3133ERCX7	AFS	FFCB 5.17 05/01/28	Callable	5,000,000	Fixed	5.170		5/1/28	100.00	5.11	100.13	6,520	0.1%	0.1	0.1	-0.3	-2.9	0.2
3133ERE23	AFS	FFCB 4.32 12/02/27	Callable	1,000,000	Fixed	4.320		12/2/27	100.00	4.31	100.10	988	0.1%	0.7	0.9	-1.1	-3.9	1.0
3133ET5K9	AFS	FFCB 4.07 06/26/30	Callable	3,000,000	Fixed	4.070		6/26/30	99.95	4.08	98.89	(31,746)	-1.1%	3.6	1.3	-2.4	-8.6	1.9
3133ETXV4	AFS	FFCB 3.83 09/15/28	Callable	1,400,000	Fixed	3.830		9/15/28	100.17	3.75	99.13	(14,498)	-1.0%	2.2	1.2	-1.7	-5.8	1.4
3133EWFX3	AFS	FFCB 3.7 03/05/29	Callable	2,000,000	Fixed	3.700		3/5/29	99.85	3.76	99.03	(16,348)	-0.8%	2.7	1.6	-2.1	-6.8	1.8
3134GW4C7	AFS	FHLMC 0.8 10/27/26	Callable	5,000,000	Fixed	0.800		10/27/26	90.79	18.49	98.22	371,585	8.2%	0.6	0.6	-0.6	-1.7	0.6
3134HADY6	AFS	FHLMC 4 08/14/29	Callable	4,000,000	Fixed	4.000		8/14/29	98.65	4.68	99.20	22,168	0.6%	2.1	0.9	-2.0	-7.2	1.5
3134HCE96	AFS	FHLMC 4.21 02/26/29	Callable	1,500,000	Fixed	4.210		2/26/29	100.00	4.22	99.72	(4,200)	-0.3%	1.2	0.9	-1.6	-5.9	1.2
3134HCXZ7	AFS	FHLMC 3.7 03/10/31	Callable	2,000,000	Fixed	3.700		3/10/31	99.40	4.02	99.35	(1,054)	-0.1%	2.0	1.8	-2.7	-9.8	2.3
3135G05Y5	AFS	FNMA 0.75 10/08/27	Bullet	2,000,000	Fixed	0.750		10/8/27	94.88	4.27	95.18	6,010	0.3%	1.5	1.5	-1.5	-4.3	1.5
3136GAGW3	AFS	FNMA 4.1 08/10/28	Callable	5,000,000	Fixed	4.100		8/10/28	100.00	4.09	99.76	(11,965)	-0.2%	0.4	0.7	-1.5	-5.5	1.1
3136GCCY9	AFS	FNMA 4 01/06/31	Callable	4,000,000	Fixed	4.000		1/6/31	100.00	4.00	99.02	(39,344)	-1.0%	2.8	1.7	-2.7	-9.6	2.2
912828YX2	AFS	USTN 1.75 12/31/26	Bullet	5,000,000	Fixed	1.750		12/31/26	93.94	10.35	98.41	223,313	4.8%	0.8	0.7	-0.7	-2.2	0.7
91282CEV9	AFS	USTN 3.25 06/30/29	Bullet	1,000,000	Fixed	3.250		6/30/29	98.53	3.73	97.84	(6,941)	-0.7%	3.3	3.1	-3.0	-8.7	3.0
91282CEW7	AFS	USTN 3.25 06/30/27	Bullet	5,000,000	Fixed	3.250		6/30/27	97.95	4.96	99.11	58,164	1.2%	1.3	1.2	-1.2	-3.5	1.2
91282CFL0	AFS	USTN 3.875 09/30/29	Bullet	5,000,000	Fixed	3.880		9/30/29	99.54	4.02	99.65	5,422	0.1%	3.5	3.3	-3.2	-9.2	3.2
91282CFM8	AFS	USTN 4.125 09/30/27	Bullet	2,500,000	Fixed	4.130		9/30/27	100.95	3.47	100.21	(18,379)	-0.7%	1.5	1.5	-1.4	-4.2	1.4
91282CFT3	AFS	USTN 4 10/31/29	Bullet	5,000,000	Fixed	4.000		10/31/29	99.77	4.07	100.04	13,258	0.3%	3.6	3.4	-3.2	-9.4	3.3
91282CFY2	AFS	USTN 3.875 11/30/29	Bullet	5,000,000	Fixed	3.880		11/30/29	98.84	4.22	99.61	38,469	0.8%	3.7	3.4	-3.3	-9.6	3.4
91282CGB1	AFS	USTN 3.875 12/31/29	Bullet	3,000,000	Fixed	3.880		12/31/29	98.33	4.36	99.59	37,678	1.3%	3.8	3.5	-3.4	-9.8	3.5
91282CGQ8	AFS	USTN 4 02/28/30	Bullet	1,000,000	Fixed	4.000		2/28/30	100.88	3.75	100.01	(8,722)	-0.9%	3.9	3.7	-3.5	-10.1	3.6
91282CHH7	AFS	USTN 4.125 06/15/26	Bullet	5,000,000	Fixed	4.130		6/15/26	100.04	3.97	100.07	1,711	0.0%	0.2	0.2	-0.2	-0.6	0.2
91282CJQ5	AFS	USTN 3.75 12/31/30	Bullet	1,000,000	Fixed	3.750		12/31/30	99.59	3.85	98.74	(8,478)	-0.9%	4.8	4.4	-4.2	-12.0	4.3
91282CMW8	AFS	USTN 3.75 04/15/28	Bullet	2,000,000	Fixed	3.750		4/15/28	100.09	3.71	99.61	(9,691)	-0.5%	2.1	2.0	-1.9	-5.6	1.9
91282CPA3	AFS	USTN 3.625 09/30/30	Bullet	3,000,000	Fixed	3.630		9/30/30	100.52	3.50	98.36	(64,936)	-2.2%	4.5	4.2	-4.0	-11.5	4.1
91282CPK1	AFS	USTN 3.5 11/15/28	Bullet	2,000,000	Fixed	3.500		11/15/28	99.89	3.55	98.89	(19,909)	-1.0%	2.7	2.5	-2.4	-7.1	2.5
TOTAL		**TSY/AGENCY**		**120,730,000**		**3.282**		**7/11/28**	**98.12**		**99.16**	**1,251,610**	**1.1%**	**1.7**	**1.4**	**-1.7**	**-5.4**	**1.6**

CUSIP Details

Security Details - Corporate Sector

CUSIP	FAS	Ticker	Current	Cpn	Maturity	Industry	Call Date	Next Reset	Rating S&P	Rating Mdy	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	% Price Change -100	% Price Change +100	% Price Change +300	Eff Dur
02079KBK2	AFS	GOOGL	1,000,000	4.100	2/15/31	Services	1/15/31		AA+	Aa2	100.60	3.96	98.81	(17,900)	-1.8%	4.9	4.4	-4.2	-12.1	4.3
023135CG9	AFS	AMZN	1,000,000	3.450	4/13/29	Services	2/13/29		AA	A1	98.85	3.85	97.71	(11,365)	-1.1%	3.1	2.8	-2.8	-8.0	2.8
023135CT1	AFS	AMZN	1,500,000	4.100	11/20/30	Services	10/20/30		AA	A1	100.70	3.93	98.52	(32,750)	-2.2%	4.7	4.2	-4.1	-11.6	4.2
023135DD5	AFS	AMZN	1,500,000	4.250	3/13/31	Services	2/13/31		AA	A1	99.68	4.32	98.77	(13,710)	-0.9%	5.0	4.5	-4.3	-12.2	4.4
06055JQF9	AFS	BAC	2,000,000	4.050	2/23/29	Finance	2/23/27		A-	A1	100.00	4.08	98.58	(28,328)	-1.4%	2.8	1.7	-2.1	-6.8	1.9
06406RBK2	AFS	BK	1,000,000	4.600	7/26/30	Finance	7/26/29		A	Aa3	102.20	3.88	100.05	(21,483)	-2.1%	3.3	3.1	-3.0	-8.7	3.1
06406RBN6	AFS	BK	656,000	4.540	2/1/29	Finance	2/1/28		A	Aa3	101.08	3.92	100.08	(6,573)	-1.0%	1.9	1.8	-1.7	-5.1	1.7
11271LAA0	AFS	BN	500,000	4.250	6/2/26	Finance	5/18/26			A3	98.02	16.46	99.85	9,146	1.9%	0.2	0.2	-0.2	-0.5	0.2
22550L2K6	AFS	UBSG	500,000	5.000	7/9/27	Finance			A+	Aa2	100.18	4.85	100.76	2,899	0.6%	1.3	1.2	-1.2	-3.6	1.2
30303MAB8	AFS	META	1,500,000	4.200	11/15/30	Services	10/15/30		AA-	Aa3	100.70	4.03	98.63	(31,067)	-2.1%	4.7	4.2	-4.0	-11.6	4.1
38151GAJ0	AFS		2,000,000	4.100	3/12/31				A+	A1	100.00	4.10	98.03	(39,390)	-2.0%	5.0	4.5	-4.3	-12.3	4.4
46625HRS1	AFS	JPM	500,000	3.200	6/15/26	Finance	5/18/26		A	A1	96.97	18.82	99.75	13,902	2.9%	0.2	0.2	-0.2	-0.6	0.2
46647PBD7	AFS	JPM	1,500,000	3.700	5/6/30	Finance	5/6/29		A	A1	98.87	4.09	97.34	(22,983)	-1.5%	3.1	2.9	-2.8	-8.2	2.9
59217GEZ8	AFS	METLF	1,500,000	3.300	3/21/29	Finance			AA-	Aa3	97.90	4.06	96.51	(20,835)	-1.4%	3.0	2.8	-2.7	-8.0	2.8
6174468G7	AFS	MS	1,000,000	4.430	1/23/30	Finance	1/23/29		A-	A1	100.70	4.16	99.09	(16,095)	-1.6%	2.8	2.7	-2.6	-7.5	2.6
61761J3R8	AFS	MS	500,000	3.130	7/27/26	Finance			A-	A1	96.24	15.49	99.62	16,916	3.5%	0.3	0.3	-0.3	-1.0	0.3
718172CE7	AFS	PM	500,000	3.130	3/2/28	Industrial	12/2/27		A-	A2	94.88	5.99	97.64	13,802	2.9%	1.9	1.8	-1.8	-5.3	1.8
75973QAA5	AFS	RNR	500,000	3.450	7/1/27	Finance	4/1/27			A3	95.09	7.64	98.90	19,043	4.0%	1.3	1.1	-1.2	-3.5	1.2
797440CE2	AFS	SRE	500,000	4.950	8/15/28	Utility	7/15/28		A	A1	101.87	4.09	102.20	1,643	0.3%	2.3	2.2	-2.2	-6.3	2.2
808513BW4	AFS	SCHW	500,000	3.300	4/1/27	Finance	1/1/27		A-	A2	95.88	7.66	99.19	16,558	3.5%	1.0	0.9	-0.9	-2.8	0.9
89236TMK8	AFS	TOYOM	500,000	4.550	8/9/29	Finance					102.12	3.87	100.24	(9,387)	-1.8%	3.4	3.1	-3.0	-8.7	3.1
89236TPH2	AFS	TOYOM	1,000,000	4.200	1/10/31	Finance			A+	A1	99.83	4.24	98.09	(17,360)	-1.7%	4.8	4.4	-4.2	-11.9	4.3
89236TPQ2	AFS	TOYOM	1,000,000	4.050	3/13/29	Finance			A+	A1	99.76	4.14	99.35	(4,098)	-0.4%	3.0	2.8	-2.7	-7.8	2.8
91324PDX7	AFS	UNH	1,000,000	2.000	5/15/30	Services			A+	A2	91.42	4.29	90.31	(11,089)	-1.2%	4.1	4.0	-3.8	-10.9	3.9
95004HBB3	AFS		2,000,000	4.150	2/12/31		2/12/29		A+	Aa2	100.00	4.15	100.00	0	0.0%	4.4	3.4	-3.6	-10.9	3.5
TOTAL		**CORPORAT**	**25,656,000**	**3.945**	**11/15/29**		**2/21/29**				**99.28**	**5.00**	**98.46**	**(210,503)**	**-0.8%**	**3.4**	**3.0**	**-3.0**	**-8.7**	**3.0**

CUSIP Details

Security Details - CD Sector

CUSIP	FAS	Description	Current	Cpn	Maturity	Call Date	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	% Price Change -100	% Price Change +100	% Price Change +300	Eff Dur
05580A4Y7	AFS	BMWG 4.65 06/15/26	240,000	4.650	6/15/26		101.43	-2.18	100.15	(3,071)	-1.3%	0.2	0.2	-0.2	-0.6	0.2
06051XER9	AFS	BAC 5.05 06/22/26	245,000	5.050	6/22/26		100.00	5.07	100.30	742	0.3%	0.3	0.2	-0.2	-0.7	0.2
09582YAV4	AFS	BRBS 4.2 12/28/27	240,000	4.200	12/28/27		100.40	3.97	100.80	953	0.4%	1.8	1.7	-1.6	-4.8	1.7
178180HL2	AFS	RY 3.85 02/14/28	250,000	3.850	2/14/28		100.00	3.86	100.25	623	0.2%	1.9	1.8	-1.8	-5.2	1.8
307811KA6	AFS	KUJFM 5 06/14/28	245,000	5.000	6/14/28	6/14/26	100.00	5.07	100.28	683	0.3%	2.2	0.2	-0.7	-3.5	0.5
32026U6U5	AFS	FRTNC 4.25 12/30/30	250,000	4.250	12/30/30	5/31/26	100.00	4.25	99.27	(1,825)	-0.7%	4.8	0.9	-2.4	-9.0	1.6
33622PAP8	AFS	OLMST 3.9 02/20/29	250,000	3.900	2/20/29	8/20/26	100.00	3.95	99.37	(1,576)	-0.6%	2.9	1.0	-1.7	-6.2	1.4
34520LBC6	AFS	FOBRI 5.05 06/15/26	245,000	5.050	6/15/26		100.00	5.08	100.28	684	0.3%	0.2	0.2	-0.2	-0.6	0.2
35634MAE1	AFS	FRDOM 5.05 06/22/26	245,000	5.050	6/22/26		100.00	5.07	100.30	742	0.3%	0.3	0.2	-0.2	-0.7	0.2
38150VUZ0	AFS	GS 5.05 06/11/26	245,000	5.050	6/11/26		100.01	5.03	100.27	626	0.3%	0.2	0.2	-0.2	-0.6	0.2
46659CSR2	AFS	JPM 4 01/14/31	250,000	4.000	1/14/31	1/14/27	100.00	3.97	98.65	(3,368)	-1.3%	4.8	2.0	-2.9	-9.9	2.4
61776N2D4	AFS	MS 3.8 03/12/29	250,000	3.800	3/12/29		100.00	3.80	100.27	682	0.3%	3.0	2.8	-2.7	-7.9	2.8
61778EQC8	AFS	MS 3.95 02/25/30	250,000	3.950	2/25/30		100.00	3.96	100.52	1,311	0.5%	3.9	3.7	-3.5	-10.1	3.6
8562855V9	AFS	SBI 5.1 06/17/26	245,000	5.100	6/17/26		100.00	5.13	100.29	718	0.3%	0.2	0.2	-0.2	-0.6	0.2
89235MPP0	AFS	TOYOM 4.65 06/13/29	245,000	4.650	6/13/29		100.00	4.66	102.78	6,823	2.8%	3.2	3.0	-2.9	-8.4	3.0
TOTAL		**CD**	**3,695,000**	**4.499**	**3/26/28**	**8/20/26**	**100.12**	**4.05**	**100.25**	**4,742**	**0.1%**	**2.0**	**1.2**	**-1.4**	**-4.6**	**1.3**

CUSIP Details

Security Details - Other Sector

					Coupon									% Price Change			
CUSIP	FAS	Description	Structure	Current	Type	Rate	Next Step	Maturity	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	-100	+100	+300	Eff Dur
COPLAIF01	AFS	CASH	Bullet	54,602,460	Fixed	3.830		4/30/26	100.00	3.80	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
PALM1LAIF	AFS	STATE OF CALIFORNIA LOCAL	Bullet	112,826,149		3.820		4/30/26	100.00	3.79	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
TOTAL		**OTHER**		**167,428,609**		**3.823**		**4/30/26**	**100.00**		**100.00**	**0**	**0.0%**	**0.1**	**0.1**	**-0.1**	**-0.3**	**0.1**

Scenario Yield and Price Analysis

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Scenario Yield and Price Analysis

Interest Rate Risk / Reward - Treasury/Agency Sector

		Book			Projected Yield At Book Price									% Change in Market Price							
CUSIP	Description	Value	Price	Market Price	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
3130AL5A8	FHLB 0.9 02/26/27	4,479,000	89.58	97.23	n.m.	13.55	13.55	13.55	**13.55**	13.55	13.55	13.55	13.55	3.0	2.6	1.8	0.9	-0.9	-1.7	-2.6	-3.4
3130AN5C0	FHLB 1.05 04/29/26	4,010,400	100.26	99.73	-2.27	-2.27	-2.27	-2.27	**-2.27**	-2.27	-2.27	-2.27	-2.27	0.3	0.2	0.2	0.1	-0.1	-0.2	-0.2	-0.3
3130AQRH8	FHLB 2 02/25/27	4,590,500	91.81	98.24	n.m.	n.m.	11.86	11.86	**11.86**	11.86	11.86	11.86	11.86	2.1	2.0	1.7	0.9	-0.9	-1.7	-2.6	-3.4
3130ARHJ3	FHLB 3.175 04/19/27	4,801,500	96.03	99.17	n.m.	n.m.	n.m.	9.79	**7.16**	7.16	7.16	7.16	7.16	1.0	1.0	0.9	0.8	-1.0	-1.9	-2.9	-3.9
3130B3XP3	FHLB 4.5 12/04/29	1,000,000	100.00	100.15	4.49	4.49	4.49	4.49	**4.49**	4.50	4.50	4.50	4.50	3.0	2.4	1.7	1.0	-1.7	-4.1	-7.0	-10.0
3130B4QA2	FHLB 4.55 07/21/28	3,000,000	100.00	100.16	4.53	4.53	4.53	4.53	**4.53**	4.55	4.55	4.55	4.55	1.4	1.1	0.7	0.4	-1.0	-2.6	-4.5	-6.4
3130B4RC7	FHLB 4.5 07/27/29	3,000,000	100.00	100.36	4.50	4.50	4.50	4.50	**4.50**	4.50	4.50	4.50	4.50	5.7	4.4	3.0	1.6	-2.0	-4.4	-7.0	-9.7
3130B62E5	FHLB 4.25 10/30/28	3,000,000	100.00	99.79	4.21	4.21	4.21	4.21	**4.25**	4.25	4.25	4.25	4.25	0.6	0.5	0.4	0.3	-1.4	-3.2	-5.3	-7.4
3130B8BF8	FHLB 3.95 11/06/30	833,071	100.37	98.34	3.31	3.31	3.31	3.43	**3.86**	3.86	3.86	3.86	3.86	4.2	3.6	2.9	1.9	-2.8	-6.2	-9.7	-13.1
3130B9RD4	FHLB 4 09/10/29	2,000,000	100.00	99.50	4.00	4.00	4.00	4.00	**4.00**	4.00	4.00	4.00	4.00	2.5	2.1	1.6	1.1	-1.9	-4.3	-7.0	-9.7
3130B9WM8	FHLB 4 03/14/28	2,500,000	100.00	99.72	4.00	4.00	4.00	4.00	**4.00**	4.00	4.00	4.00	4.00	2.3	1.8	1.3	0.8	-1.3	-2.8	-4.5	-6.2
3133ENJC5	FFCB 1.29 12/22/26	5,000,000	100.00	98.11	1.29	1.29	1.29	1.29	**1.29**	1.29	1.29	1.29	1.29	2.0	1.9	1.4	0.7	-0.7	-1.4	-2.1	-2.8
3133ERCX7	FFCB 5.17 05/01/28	5,000,000	100.00	100.13	5.11	5.11	5.11	5.11	**5.11**	5.17	5.17	5.17	5.17	0.4	0.3	0.2	0.1	-0.3	-1.4	-2.9	-4.5
3133ERE23	FFCB 4.32 12/02/27	1,000,000	100.00	100.10	4.31	4.31	4.31	4.31	**4.31**	4.32	4.32	4.32	4.32	3.0	2.3	1.6	0.9	-1.1	-2.5	-3.9	-5.4
3133ET5K9	FFCB 4.07 06/26/30	2,998,500	99.95	98.89	4.26	4.26	4.26	4.26	**4.08**	4.08	4.08	4.08	4.08	2.2	1.9	1.7	1.3	-2.4	-5.4	-8.6	-11.9
3133ETXV4	FFCB 3.83 09/15/28	1,402,380	100.17	99.13	3.45	3.45	3.45	3.45	**3.75**	3.76	3.76	3.76	3.76	2.7	2.3	1.8	1.2	-1.7	-3.7	-5.8	-7.8
3133EWFX3	FFCB 3.7 03/05/29	1,997,000	99.85	99.03	3.86	3.86	3.86	3.86	**3.76**	3.75	3.75	3.75	3.75	4.7	3.7	2.8	1.6	-2.1	-4.4	-6.8	-9.2
3134GW4C7	FHLMC 0.8 10/27/26	4,539,500	90.79	98.22	n.m.	18.49	18.49	18.49	**18.49**	18.49	18.49	18.49	18.49	1.9	1.7	1.1	0.6	-0.6	-1.1	-1.7	-2.2
3134HADY6	FHLMC 4 08/14/29	3,946,000	98.65	99.20	15.89	15.89	15.89	15.89	**4.68**	4.43	4.43	4.43	4.43	1.3	1.2	1.1	0.9	-2.0	-4.5	-7.2	-9.9
3134HCE96	FHLMC 4.21 02/26/29	1,500,000	100.00	99.72	4.22	4.22	4.22	4.22	**4.22**	4.21	4.21	4.21	4.21	2.2	1.8	1.3	0.9	-1.6	-3.6	-5.9	-8.3
3134HCXZ7	FHLMC 3.7 03/10/31	1,988,000	99.40	99.35	4.35	4.35	4.35	4.35	**4.02**	3.83	3.83	3.83	3.83	5.0	4.0	3.0	1.8	-2.7	-6.1	-9.8	-13.4
3135G05Y5	FNMA 0.75 10/08/27	1,897,600	94.88	95.18	4.27	4.27	4.27	4.27	**4.27**	4.27	4.27	4.27	4.27	6.2	4.6	3.0	1.5	-1.5	-2.9	-4.3	-5.7
3136GAGW3	FNMA 4.1 08/10/28	5,000,000	100.00	99.76	4.09	4.09	4.09	4.09	**4.09**	4.10	4.10	4.10	4.10	1.8	1.4	1.1	0.7	-1.5	-3.5	-5.5	-7.6
3136GCCY9	FNMA 4 01/06/31	4,000,000	100.00	99.02	3.99	3.99	3.99	3.99	**4.00**	4.00	4.00	4.00	4.00	4.3	3.5	2.7	1.7	-2.7	-6.0	-9.6	-13.2
912828YX2	USTN 1.75 12/31/26	4,697,000	93.94	98.41	10.35	10.35	10.35	10.35	**10.35**	10.35	10.35	10.35	10.35	3.0	2.2	1.5	0.7	-0.7	-1.4	-2.2	-2.9
91282CEV9	USTN 3.25 06/30/29	985,300	98.53	97.84	3.73	3.73	3.73	3.73	**3.73**	3.73	3.73	3.73	3.73	13.0	9.6	6.3	3.1	-3.0	-5.9	-8.7	-11.3
91282CEW7	USTN 3.25 06/30/27	4,897,500	97.95	99.11	4.96	4.96	4.96	4.96	**4.96**	4.96	4.96	4.96	4.96	5.0	3.7	2.5	1.2	-1.2	-2.4	-3.5	-4.7
91282CFL0	USTN 3.875 09/30/29	4,977,000	99.54	99.65	4.02	4.02	4.02	4.02	**4.02**	4.02	4.02	4.02	4.02	13.9	10.3	6.7	3.3	-3.2	-6.2	-9.2	-12.0
91282CFM8	USTN 4.125 09/30/27	2,523,750	100.95	100.21	3.47	3.47	3.47	3.47	**3.47**	3.47	3.47	3.47	3.47	6.0	4.4	2.9	1.5	-1.4	-2.8	-4.2	-5.5
91282CFT3	USTN 4 10/31/29	4,988,500	99.77	100.04	4.07	4.07	4.07	4.07	**4.07**	4.07	4.07	4.07	4.07	14.2	10.5	6.9	3.4	-3.2	-6.4	-9.4	-12.2
91282CFY2	USTN 3.875 11/30/29	4,942,000	98.84	99.61	4.22	4.22	4.22	4.22	**4.22**	4.22	4.22	4.22	4.22	14.6	10.8	7.0	3.4	-3.3	-6.5	-9.6	-12.5
91282CGB1	USTN 3.875 12/31/29	2,949,900	98.33	99.59	4.36	4.36	4.36	4.36	**4.36**	4.36	4.36	4.36	4.36	14.9	11.0	7.2	3.5	-3.4	-6.6	-9.8	-12.7
91282CGQ8	USTN 4 02/28/30	1,008,800	100.88	100.01	3.75	3.75	3.75	3.75	**3.75**	3.75	3.75	3.75	3.75	15.5	11.5	7.5	3.7	-3.5	-6.9	-10.1	-13.2
91282CHH7	USTN 4.125 06/15/26	5,002,000	100.04	100.07	3.97	3.97	3.97	3.97	**3.97**	3.97	3.97	3.97	3.97	0.8	0.6	0.4	0.2	-0.2	-0.4	-0.6	-0.8
91282CJQ5	USTN 3.75 12/31/30	995,900	99.59	98.74	3.85	3.85	3.85	3.85	**3.85**	3.85	3.85	3.85	3.85	19.0	13.9	9.1	4.4	-4.2	-8.2	-12.0	-15.6
91282CMW8	USTN 3.75 04/15/28	2,001,800	100.09	99.61	3.71	3.71	3.71	3.71	**3.71**	3.71	3.71	3.71	3.71	8.2	6.0	4.0	2.0	-1.9	-3.8	-5.6	-7.4
91282CPA3	USTN 3.625 09/30/30	3,015,600	100.52	98.36	3.50	3.50	3.50	3.50	**3.50**	3.50	3.50	3.50	3.50	18.0	13.2	8.6	4.2	-4.0	-7.8	-11.5	-14.9
91282CPK1	USTN 3.5 11/15/28	1,997,800	99.89	98.89	3.55	3.55	3.55	3.55	**3.55**	3.55	3.55	3.55	3.55	10.5	7.8	5.1	2.5	-2.4	-4.8	-7.1	-9.3
TOTAL	**TREASURY/AGENCY SECTOR**	**118,466,301**	**98.12**	**99.16**	**4.51**	**5.47**	**5.72**	**5.89**	**5.41**	**5.40**	**5.40**	**5.40**	**5.40**	**5.2**	**4.0**	**2.7**	**1.4**	**-1.7**	**-3.5**	**-5.4**	**-7.3**

* n.m.: Yield not meaningful

Scenario Yield and Price Analysis

Interest Rate Risk / Reward - Corporate Sector

		Book			Projected Yield At Book Price									% Change in Market Price							
CUSIP	Description	Value	Price	Market Price	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
02079KBK2	GOOGL 4.1 02/15/31	1,006,000	100.60	98.81	3.96	3.96	3.96	3.96	**3.96**	3.96	3.96	3.96	3.96	19.1	14.0	9.1	4.4	-4.2	-8.3	-12.1	-15.8
023135CG9	AMZN 3.45 04/13/29	988,500	98.85	97.71	3.88	3.88	3.88	3.88	**3.85**	3.85	3.85	3.85	3.85	11.6	8.7	5.7	2.8	-2.8	-5.4	-8.0	-10.6
023135CT1	AMZN 4.1 11/20/30	1,510,500	100.70	98.52	3.93	3.93	3.93	3.93	**3.93**	3.93	3.93	3.93	3.93	18.1	13.3	8.7	4.2	-4.1	-7.9	-11.6	-15.1
023135DD5	AMZN 4.25 03/13/31	1,495,200	99.68	98.77	4.32	4.32	4.32	4.32	**4.32**	4.32	4.32	4.32	4.32	19.3	14.2	9.2	4.5	-4.3	-8.4	-12.2	-15.9
06055JQF9	BAC 4.05 02/23/29	2,000,000	100.00	98.58	4.08	4.08	4.08	4.08	**4.08**	4.08	4.08	4.08	4.08	4.7	3.8	2.9	1.7	-2.1	-4.4	-6.8	-9.2
06406RBK2	BK 4.596 07/26/30	1,022,000	102.20	100.05	3.88	3.88	3.88	3.88	**3.88**	3.88	3.88	3.88	3.88	13.0	9.7	6.3	3.1	-3.0	-5.9	-8.7	-11.3
06406RBN6	BK 4.543 02/01/29	663,085	101.08	100.08	3.92	3.92	3.92	3.92	**3.92**	3.92	3.92	3.92	3.92	7.3	5.4	3.6	1.8	-1.7	-3.4	-5.1	-6.7
11271LAA0	BN 4.25 06/02/26	490,100	98.02	99.85	n.m.	n.m.	n.m.	n.m.	**16.46**	16.46	16.46	16.46	16.46	0.4	0.3	0.2	0.2	-0.2	-0.3	-0.5	-0.7
22550L2K6	UBSG 5 07/09/27	500,900	100.18	100.76	4.85	4.85	4.85	4.85	**4.85**	4.85	4.85	4.85	4.85	5.1	3.8	2.5	1.2	-1.2	-2.4	-3.6	-4.7
30303MAB8	META 4.2 11/15/30	1,510,500	100.70	98.63	4.03	4.03	4.03	4.03	**4.03**	4.03	4.03	4.03	4.03	18.0	13.3	8.6	4.2	-4.0	-7.9	-11.6	-15.1
38151GAJ0	GOLDMAN SACHS BK CD	2,000,000	100.00	98.03	4.10	4.10	4.10	4.10	**4.10**	4.10	4.10	4.10	4.10	19.6	14.4	9.3	4.5	-4.3	-8.4	-12.3	-16.0
46625HRS1	JPM 3.2 06/15/26	484,850	96.97	99.75	n.m.	n.m.	n.m.	18.82	**18.82**	18.82	18.82	18.82	18.82	0.5	0.4	0.3	0.2	-0.2	-0.4	-0.6	-0.8
46647PBD7	JPM 3.702 05/06/30	1,483,050	98.87	97.34	4.09	4.09	4.09	4.09	**4.09**	4.09	4.09	4.09	4.09	12.3	9.1	6.0	2.9	-2.8	-5.6	-8.2	-10.8
59217GEZ8	METLF 3.3 03/21/29	1,468,500	97.90	96.51	4.06	4.06	4.06	4.06	**4.06**	4.06	4.06	4.06	4.06	11.9	8.8	5.8	2.8	-2.7	-5.4	-8.0	-10.4
6174468G7	MS 4.431 01/23/30	1,007,000	100.70	99.09	4.16	4.16	4.16	4.16	**4.16**	4.16	4.16	4.16	4.16	11.1	8.2	5.4	2.7	-2.6	-5.1	-7.5	-9.8
61761J3R8	MS 3.125 07/27/26	481,200	96.24	99.62	15.49	15.49	15.49	15.49	**15.49**	15.49	15.49	15.49	15.49	1.3	1.0	0.7	0.3	-0.3	-0.6	-1.0	-1.3
718172CE7	PM 3.125 03/02/28	474,400	94.88	97.64	6.41	6.41	6.41	6.18	**5.99**	5.99	5.99	5.99	5.99	7.0	5.3	3.5	1.8	-1.8	-3.5	-5.3	-7.0
75973QAA5	RNR 3.45 07/01/27	475,450	95.09	98.90	8.68	8.68	8.68	7.85	**7.64**	7.64	7.64	7.64	7.64	4.3	3.3	2.2	1.1	-1.2	-2.3	-3.5	-4.6
797440CE2	SRE 4.95 08/15/28	509,350	101.87	102.20	4.09	4.09	4.09	4.09	**4.09**	4.09	4.11	4.11	4.11	9.1	6.8	4.4	2.2	-2.2	-4.3	-6.3	-8.3
808513BW4	SCHW 3.3 04/01/27	479,400	95.88	99.19	9.12	9.12	9.12	9.12	**7.66**	7.66	7.66	7.66	7.66	3.2	2.5	1.7	0.9	-0.9	-1.9	-2.8	-3.7
89236TMK8	TOYOM 4.55 08/09/29	510,600	102.12	100.24	3.87	3.87	3.87	3.87	**3.87**	3.87	3.87	3.87	3.87	13.2	9.8	6.4	3.1	-3.0	-5.9	-8.7	-11.5
89236TPH2	TOYOM 4.2 01/10/31	998,300	99.83	98.09	4.24	4.24	4.24	4.24	**4.24**	4.24	4.24	4.24	4.24	18.9	13.8	9.0	4.4	-4.2	-8.1	-11.9	-15.5
89236TPQ2	TOYOM 4.05 03/13/29	997,600	99.76	99.35	4.14	4.14	4.14	4.14	**4.14**	4.14	4.14	4.14	4.14	11.7	8.7	5.7	2.8	-2.7	-5.3	-7.8	-10.3
91324PDX7	UNH 2 05/15/30	914,200	91.42	90.31	4.29	4.29	4.29	4.29	**4.29**	4.29	4.29	4.29	4.29	16.8	12.4	8.1	4.0	-3.8	-7.4	-10.9	-14.2
95004HBB3	WFC 4.15 02/12/31	2,000,000	100.00	100.00	4.15	4.15	4.15	4.15	**4.15**	4.15	4.15	4.15	4.15	12.6	9.6	6.5	3.4	-3.6	-7.3	-10.9	-14.5
TOTAL	**CORPORATE SECTOR**	**25,470,685**	**99.28**	**98.46**	**4.55**	**4.55**	**4.55**	**4.81**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**12.5**	**9.3**	**6.1**	**3.0**	**-3.0**	**-5.9**	**-8.7**	**-11.4**

* n.m.: Yield not meaningful

Scenario Yield and Price Analysis

Interest Rate Risk / Reward - CD Sector

		Book			Projected Yield At Book Price									% Change in Market Price							
CUSIP	Description	Value	Price	Market Price	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
05580A4Y7	BMWG 4.65 06/15/26	243,432	101.43	100.15	-2.18	-2.18	-2.18	-2.18	**-2.18**	-2.18	-2.18	-2.18	-2.18	0.8	0.6	0.4	0.2	-0.2	-0.4	-0.6	-0.8
06051XER9	BAC 5.05 06/22/26	245,000	100.00	100.30	5.07	5.07	5.07	5.07	**5.07**	5.07	5.07	5.07	5.07	0.9	0.7	0.5	0.2	-0.2	-0.5	-0.7	-0.9
09582YAV4	BRBS 4.2 12/28/27	240,960	100.40	100.80	3.97	3.97	3.97	3.97	**3.97**	3.97	3.97	3.97	3.97	7.0	5.2	3.4	1.7	-1.6	-3.3	-4.8	-6.4
178180HL2	RY 3.85 02/14/28	250,000	100.00	100.25	3.86	3.86	3.86	3.86	**3.86**	3.86	3.86	3.86	3.86	7.5	5.6	3.7	1.8	-1.8	-3.5	-5.2	-6.8
307811KA6	KUJFM 5 06/14/28	245,000	100.00	100.28	5.07	5.07	5.07	5.07	**5.07**	5.07	5.07	5.07	5.07	0.9	0.7	0.4	0.2	-0.7	-1.9	-3.5	-5.3
32026U6U5	FRTNC 4.25 12/30/30	250,000	100.00	99.27	4.25	4.25	4.25	4.25	**4.25**	4.25	4.25	4.25	4.25	1.1	1.0	1.0	0.9	-2.4	-5.5	-9.0	-12.5
33622PAP8	OLMST 3.9 02/20/29	250,000	100.00	99.37	3.95	3.95	3.95	3.95	**3.95**	3.95	3.95	3.95	3.95	2.3	1.9	1.5	1.0	-1.7	-3.9	-6.2	-8.5
34520LBC6	FOBRI 5.05 06/15/26	245,000	100.00	100.28	5.08	5.08	5.08	5.08	**5.08**	5.08	5.08	5.08	5.08	0.8	0.6	0.4	0.2	-0.2	-0.4	-0.6	-0.8
35634MAE1	FRDOM 5.05 06/22/26	245,000	100.00	100.30	5.07	5.07	5.07	5.07	**5.07**	5.07	5.07	5.07	5.07	0.9	0.7	0.5	0.2	-0.2	-0.5	-0.7	-0.9
38150VUZ0	GS 5.05 06/11/26	245,025	100.01	100.27	5.03	5.03	5.03	5.03	**5.03**	5.03	5.03	5.03	5.03	0.8	0.6	0.4	0.2	-0.2	-0.4	-0.6	-0.8
46659CSR2	JPM 4 01/14/31	250,000	100.00	98.65	3.97	3.97	3.97	3.97	**3.97**	3.97	3.97	3.97	3.97	4.8	3.9	3.1	2.0	-2.9	-6.3	-9.9	-13.5
61776N2D4	MS 3.8 03/12/29	250,000	100.00	100.27	3.80	3.80	3.80	3.80	**3.80**	3.80	3.80	3.80	3.80	11.8	8.7	5.7	2.8	-2.7	-5.3	-7.9	-10.3
61778EQC8	MS 3.95 02/25/30	250,000	100.00	100.52	3.96	3.96	3.96	3.96	**3.96**	3.96	3.96	3.96	3.96	15.5	11.5	7.5	3.7	-3.5	-6.9	-10.1	-13.2
8562855V9	SBI 5.1 06/17/26	245,000	100.00	100.29	5.13	5.13	5.13	5.13	**5.13**	5.13	5.13	5.13	5.13	0.9	0.7	0.4	0.2	-0.2	-0.4	-0.6	-0.9
89235MPP0	TOYOM 4.65 06/13/29	245,000	100.00	102.78	4.66	4.66	4.66	4.66	**4.66**	4.66	4.66	4.66	4.66	12.6	9.4	6.1	3.0	-2.9	-5.7	-8.4	-11.0
TOTAL	**CD SECTOR**	**3,699,417**	**100.12**	**100.25**	**4.05**	**4.05**	**4.05**	**4.05**	**4.05**	**4.05**	**4.05**	**4.05**	**4.05**	**4.6**	**3.5**	**2.4**	**1.2**	**-1.4**	**-3.0**	**-4.6**	**-6.2**

* n.m.: Yield not meaningful

Scenario Yield and Price Analysis

Interest Rate Risk / Reward - Other Sector

		Book			Projected Yield At Book Price									% Change in Market Price							
CUSIP	Description	Value	Price	Market Price	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
COPLAIF01	CASH	54,602,460	100.00	100.00	3.80	3.80	3.80	3.80	**3.80**	3.80	3.80	3.80	3.80	0.3	0.3	0.2	0.1	-0.1	-0.2	-0.3	-0.3
PALM1LAIF	STATE OF CALIFORNIA LOCAL AGENCY I	112,826,149	100.00	100.00	3.79	3.79	3.79	3.79	**3.79**	3.79	3.79	3.79	3.79	0.3	0.3	0.2	0.1	-0.1	-0.2	-0.3	-0.3
TOTAL	**OTHER SECTOR**	**167,428,609**	**100.00**	**100.00**	**3.79**	**3.79**	**3.79**	**3.79**	**3.79**	**3.79**	**3.79**	**3.79**	**3.79**	**0.3**	**0.3**	**0.2**	**0.1**	**-0.1**	**-0.2**	**-0.3**	**-0.3**

* n.m.: Yield not meaningful

Addendum

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Addendum

Portfolio Exceptions

Portfolio Exceptions

	Exception Description	CUSIP	Sector	Sub Sector	Sub Sub Sector	Security Description	Current Par	Book Price	Market Price
No bonds were excluded from your portfolio									

Portfolio Exceptions Summary

Total Current Par	Excluded Current Par	Included Current Par	Excluded Pct	Total Count	Excluded Count	Included Count	Excluded Pct
317,509,609	0	317,509,609	0.00%	80	0	80	0.00%

Addendum

Disclaimer and Notes

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	Applied	Notes
Date Requested	04/17/2026	The Performance Profile was requested on this date
Book Date	03/31/2026	The portfolio's book (holding) price is as of this date
As-Of Date	03/24/2026	Market pricing for this portfolio is as of this date.
Call Report	n.a.	Most recent institution call report available on Date Requested
Risk Manager	n.a.	The most recent Risk Manager information as of Date Requested
Tax Rate Applied	21.00%	Adjustable, defaults to 21.00% C-Corp Bank, 29.60% S-Corp Bank, 0.00% Credit Union
Cost of Funds	1.0%	Used to calculate Tax-Equivalent Yields where appropriate for depositories
TEFRA	Tax-Free Munis	C-Corp Bank (20% BQ, 100% GM); S-Corp Bank (0% BQ, 100% GM); all else n.a.
Portfolio Statistics	04/17/2026	The most recent Stifel portfolio summary statistics as of Date Requested

Addendum

Key Terms and Definitions

Term	Definition
Adjustment Frequency	For adjustable-rate mortgages (ARMs), the number of months between the loan's or security's coupon adjustment dates. GNMA ARMs adjust annually in one of the following months: January, April, July, or October; FNMA and FHLMC issues also usually have annual reset dates although the adjustment dates occur at any time during the year.
Book Yield	Usually provided from Bond Accounting reports and represents the Annualized yield to maturity (or call) based on the book value of a bond and projected cash flows. Similar to "Projected Yield at Book" except 3mo Historical Speeds are commonly employed in calculating Book Yield for amortizing securities rather than a forward looking estimate.
Collateral	Assets that are used to secure payment of certain bonds, for example, real estate is a source of collateral for mortgage backed securities.
Coupon	The stated interest rate on a bond that is used to calculate interest payments that are payable to bond holders. A coupon rate of interest can be fixed over the life of the bond or a variable rate of interest that is calculated using a formula described in the offering documents. Floating coupon rates are generally a simple spread (or margin) relative to a stated index (such as LIBOR). Many bonds include caps and floors on the coupon interest rate and some contain more complex formulas.
Convexity	An incremental measure (along with the linear measure of duration) to capture the curvature of a bond's price/yield relationship. Practically, negative convexity indicates the upside price of a bond is limited if rates fall due to embedded options (mortgage prepayments or an issuers ability to call the bond).
Current Face (Par Amount)	Computed by multiplying the original face by the current factor, represents principal remaining for an investor to receive.
Current Index	The level of the index at a specified moment in time that is used in conjunction with the margin to establish the security's coupon.
Effective Duration	Or "option-adjusted duration" measures interest rate risk of a security considering the impact of optionality and possible changes in future interest rates. It is calculated by averaging the percentage changes in the security's value under the higher and lower rate environments, while 25bp, 50bp or other sized yield shifts are commonly used, the rate of change is restated as a 100bp equivalent by simple multiplication.
Enhanced Credit Rating	A rating that reflects the underlying issue's standalone credit quality as well as any credit support provided by a state credit enhancement program.
Factor	Relevant for bonds that pay amortizing principal to bond holders. The factor equals the percentage of the original face that is outstanding.
Floor	For adjustable-rate securities, it is the lowest level to which a coupon can fall over the life of the security
Forward Curve	The forward curve is a graph that defines the prices (yields) at which a contract for future delivery or payment can be concluded today, it represents a term structure of forward rates.
Gross WAC	The weighted-average mortgage rate of all the loans in a pool.
Initial Reset Date	The date on which an adjustable-rate mortgage (ARM) or underlying mortgage in an ARM pool can reset for the first time.
Internal Rate of Return	A sector or portfolio yield to expected maturity based on the portfolio's expected cash flows, treated as a single instrument. This reflects the overall yield to expected maturity of the portfolio, not a monthly earnings rate. On a single bond, IRR is the same as yield.
Lifetime Cap	For adjustable-rate securities, it is the highest level that a coupon may attain over the life of the security.
Margin	The amount added to the index of a floating rate loan or security (such as an adjustment rate mortgage security) in order to calculate a coupon rate of interest.
Market Yield	The yield of a bond at current market price. For a bond you own, an indication of what yield the market will pay you today for the bond.
Months to Roll (MTR)	Months remaining until a bond's coupon will next reset
Pay Window	For CMO's, the expected date range to receive principal payments.
Prepay Speeds	Prepayments occur when a servicer receives principal payments above the scheduled amount. The velocity of the prepayments is measured using prepayment speeds, typically measured using conditional prepayment rate (CPR) or prepayment speed assumption (PSA).
Price Volatility	The percentage change in price for a given a change in interest rates. Price volatility is generally calculated using a parallel, instantaneous shock in a benchmark yield curve assuming constant spreads relative to the benchmark curve.
Projected Call	The date at which a callable bond is projected to be redeemed at a given level of interest rates. All things equal, higher rates should extend the date and lower rates should accelerate the redemption date.
Projected Yield at Book	Annualized yield to maturity (or call) based on the book value of a bond and projected cash flows given the market conditions at the time of the analysis.
Roll Date	The date (or weighted average date) that a bond's coupon can reset
Static Cash Flow Gap Estimate	In the absence of more robust Earnings at Risk simulations, an estimate of how sensitive a depository's margin is to movements in interest rates by comparing the amount and sensitivity of repricing Assets and Liabilities. A positive gap indicates more assets repricing than liabilities (asset sensitive) and a negative gap indicates more liabilities repricing than assets (liability sensitive).
Tranche	Class of debt securities issued as part of a bond instrument, each part (tranche) characterized by a unique set of features such as maturity, interest (coupon) rate, interest payment date, to suit the needs of different investors.
Underlying Credit Rating	A rating issued by an agency assessing the ability of an issuer to repay its debt. The assessment of creditworthiness is based solely on the obligor and does not include enhancements from a third party.
Weighted Average Life (WAL)	The weighted-average time in years that the principal of a security is expected to be outstanding. For mortgage securities and callable bonds, average life varies with prepayment speeds and yield curve assumptions.
Weighted Average Loan Age (WALA)	The average age of all mortgages in a pool, weighted by current balance.
Weighted Average Maturity (WAM)	The average remaining maturity of the underlying mortgages in a pool, weighted by current balance.
Yield at Book Price	On a sector or portfolio summary level, this is a book value-weighted average yield. It reflects expected earnings in the current month. Over time, relatively low (or high) yields may mature, increasing (or decreasing) subsequent months' expected earnings versus the initial weighted average.
Yield Contribution	For a given a sectors weight, how much yield does it contribute to the overall portfolio.

Addendum

Key Terms and Definitions

Yield to Maturity (YTM)	The single yield that makes the present value of the cash flows to maturity equal to the price plus accrued interest.
Yield to Call (YTC)	The single yield that makes the present value of the cash flows to the call date equal to the price plus accrued interest.
Yield to Worst (YTW)	The lower of the yield to maturity and the yield to call.

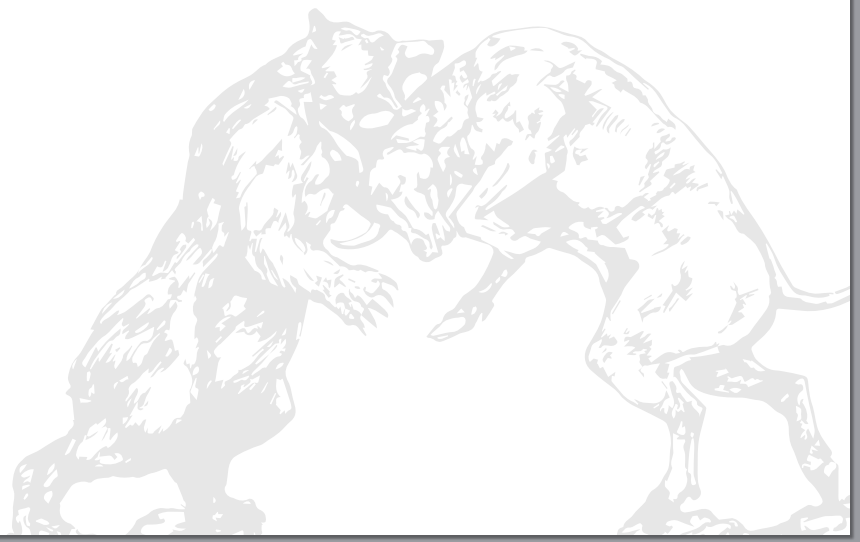
STIFEL

Performance Profile

City of Palmdale - Successor Agency

Palmdale, CA

March 2026



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Performance Profile

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Executive Summary

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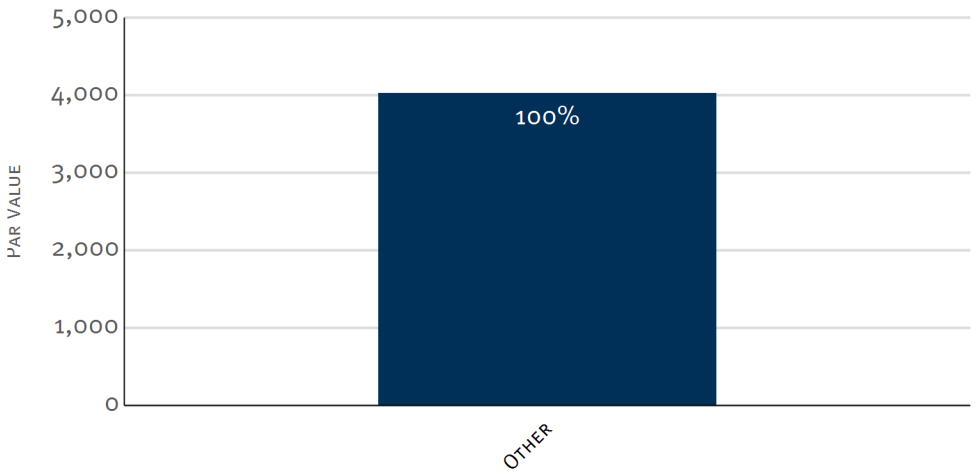
Executive Summary

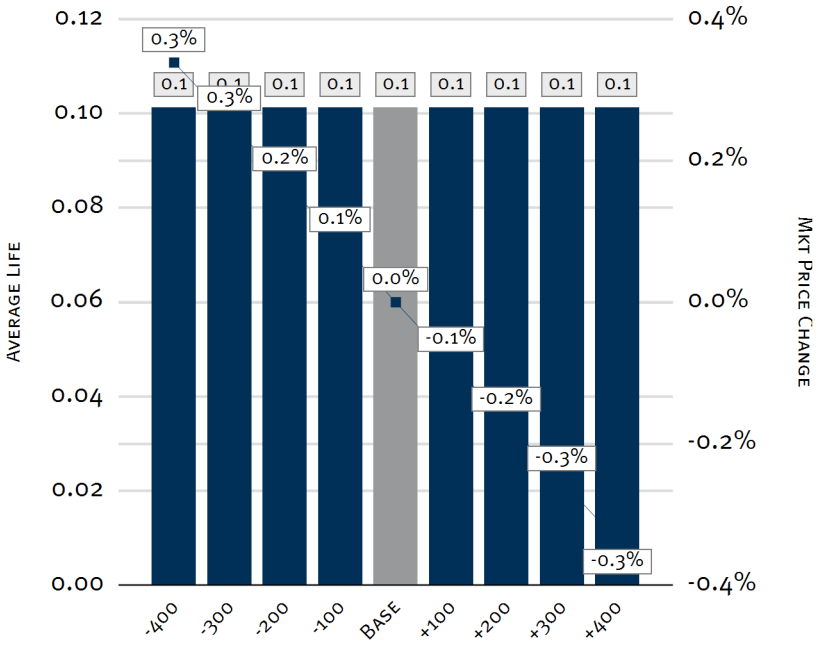
Portfolio Snapshot

Book Value	**4,027,756**
# Securities	1
Average Size (Book)	4,027,756
Yield @ Book Price	3.84
Internal Rate of Return	3.93
Yield @ Book Price +100bps	3.84
Yield @ Book Price -100bps	3.84
Market Yield	3.84
$ Gain Loss	
% Gain Loss	0.0%
Average Life	0.1
Average Life +300bps	0.1
% Price Change +100bps	-0.1
% Price Change +300bps	-0.3
Effective Duration	0.1
Effective Convexity	0.0
AFS / HTM %	100% / 0%
Fixed / Floating	100% / 0%
ESG / Green Par (000's)	$0 / $0

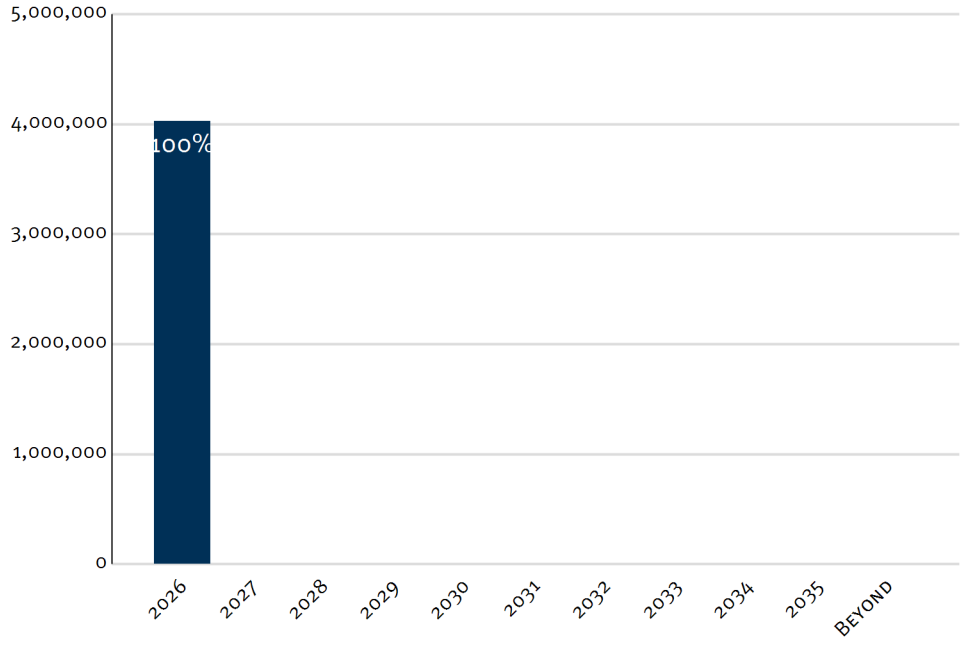
Sector Allocation



Average Life vs Price Sensitivity



Projected Principal Cash Flows



Executive Summary

Historical Portfolio Overview

	03/31/2026	02/28/2026	12/31/2025	
Book Value	4,027,756	4,027,756	3,985,613	
Yield @ Book Price	3.84	3.84	4.02	
Yield @ Book Price (+100)	3.84	3.84	4.02	
Yield @ Book Price (+300)	3.84	3.84	4.02	
Yield @ Book Price (-100)	3.84	3.84	4.02	
WAL	0.1	0.1	0.1	
WAL (+100)	0.1	0.1	0.1	
WAL (+300)	0.1	0.1	0.1	
WAL (-100)	0.1	0.1	0.1	
% Price Change (+100)	-0.1%	-0.1%	-0.1%	
% Price Change (+300)	-0.3%	-0.3%	-0.3%	
% Price Change (-100)	0.1%	0.1%	0.1%	
Effective Duration	0.1	0.1	0.1	
Effective Convexity	0.0	0.0	0.0	
$ Gain/Loss	0	0	0	
% Gain/Loss	0.0%	0.0%	0.0%	
$ Gain/Loss (+300)	-10,198	-10,972	-9,980	
Principal Cash Flow 2 yrs out	100%	100%	100%	
Principal Cash Flow 2 yrs out (+100)	100%	100%	100%	
Principal Cash Flow 2 yrs out (+300)	100%	100%	100%	
Principal Cash Flow 2 yrs out (-100)	100%	100%	100%	

Executive Summary

Portfolio Sector Summary

Sector	Portfolio Curr Par %	Par Value	Cpn	Maturity	Book Value	Yld @ Book	Market Value	Market Yield	% Price Change -100	% Price Change +100	% Price Change +300	Gain/(Loss) $	Gain/(Loss) %	WAL	Effective Dur	Effective Cvx	AFS %
Cash & Other (1)	100.0%	4,027,756	3.87	0.1	4,027,756	3.84	4,027,756	3.84	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Other (1)	100.0%	4,027,756	3.87	0.1	4,027,756	3.84	4,027,756	3.84	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Total (1)	100.0%	4,027,756	3.87	0.1	4,027,756	3.84	4,027,756	3.84	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%

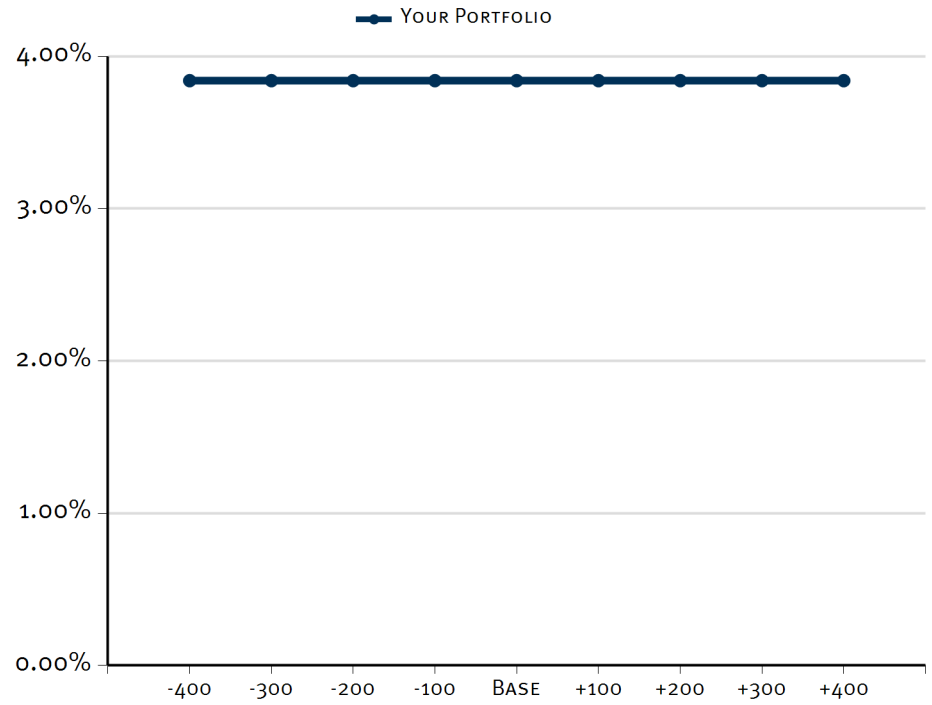
Executive Summary

Portfolio Analysis - Interest Rate Shock

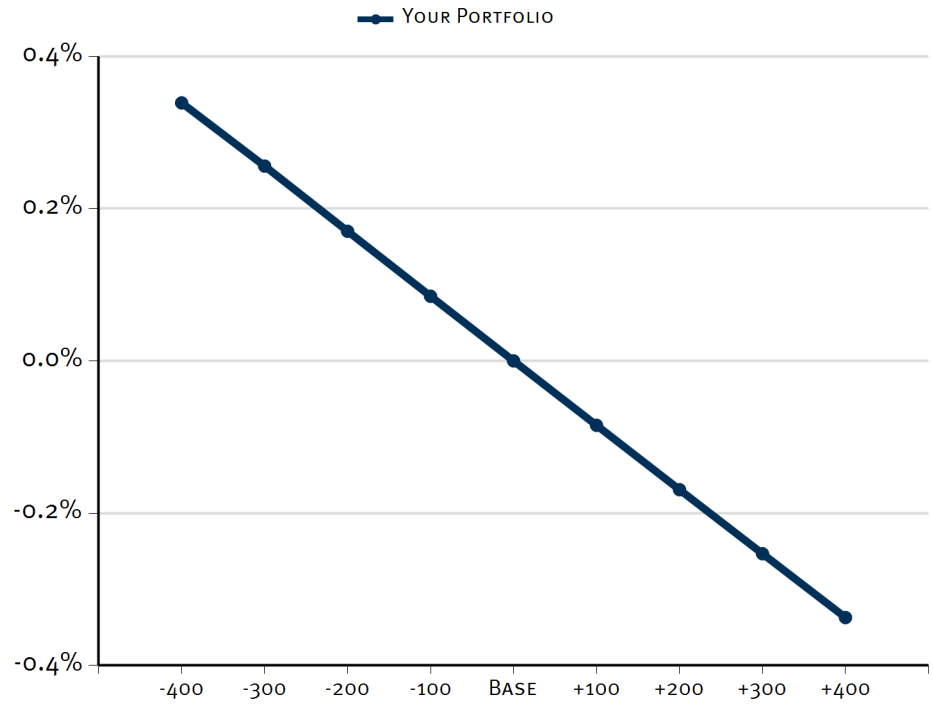
Total Portfolio

	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	1	1	1	1	**1**	1	1	1	1
Current Face	4,027,756	4,027,756	4,027,756	4,027,756	**4,027,756**	4,027,756	4,027,756	4,027,756	4,027,756
Book Value	4,027,756	4,027,756	4,027,756	4,027,756	**4,027,756**	4,027,756	4,027,756	4,027,756	4,027,756
Book Price	100.00	100.00	100.00	100.00	**100.00**	100.00	100.00	100.00	100.00
Projected Yield At Book Price	3.84%	3.84%	3.84%	3.84%	**3.84%**	3.84%	3.84%	3.84%	3.84%
Market Value	4,041,402	4,038,059	4,034,611	4,031,176	**4,027,756**	4,024,349	4,020,945	4,017,558	4,014,182
Market Price	100.34	100.26	100.17	100.08	**100.00**	99.92	99.83	99.75	99.66
Market Yield	-0.19%	0.79%	1.80%	2.82%	**3.84%**	4.86%	5.89%	6.91%	7.94%
% Price Change	0.3%	0.3%	0.2%	0.1%	**0.0%**	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	13,646	10,303	6,855	3,420	**0**	-3,407	-6,811	-10,198	-13,574
Gain/Loss %	0.3%	0.3%	0.2%	0.1%	**0.0%**	-0.1%	-0.2%	-0.3%	-0.3%
Average Life	0.1	0.1	0.1	0.1	**0.1**	0.1	0.1	0.1	0.1
Effective Duration	0.1	0.1	0.1	0.1	**0.1**	0.1	0.1	0.1	0.1
Effective Convexity	0.0	0.0	0.0	0.0	**0.0**	0.0	0.0	0.0	0.0

Projected Portfolio Yield at Book



Total Portfolio Price Volatility

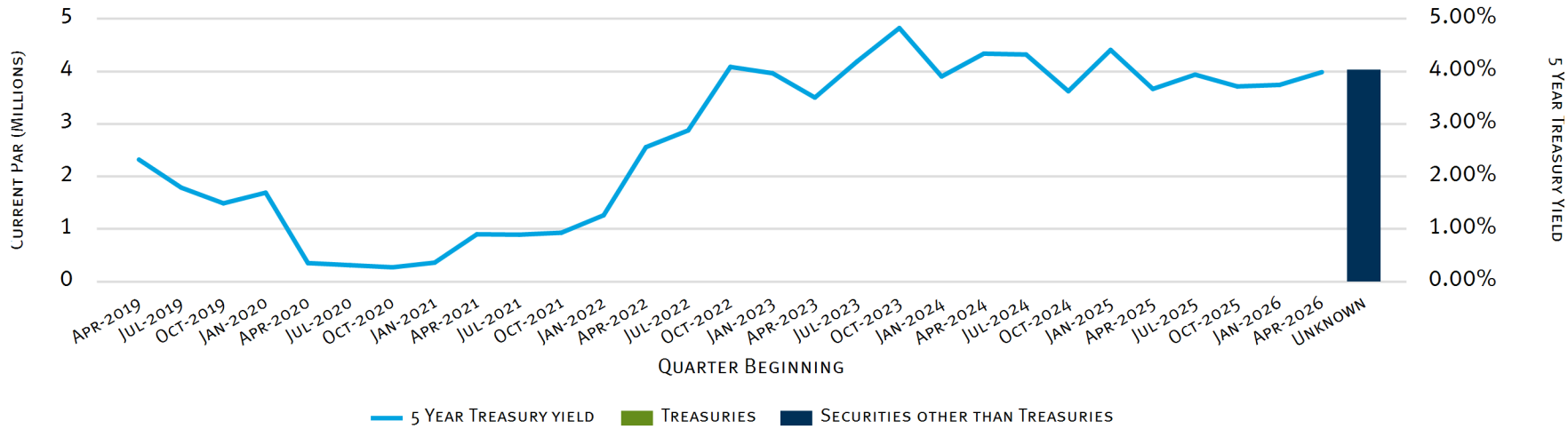


[1]Stifel Portfolio Median refers to the median portfolio value for other institutions analyzed by Stifel within the past three months.

Executive Summary

Market Timing Analysis

Historical Purchases vs 5 Year Treasury Yield



5 Year Treasury Average: 2.65% / Median 3.19%

Securities Purchased by Rate Environment



The highest quartile is composed of the seven quarters over the past seven years in which rates were the highest, the second quartile is the next seven highest quarters, and so on.

Executive Summary

Key Market Rates

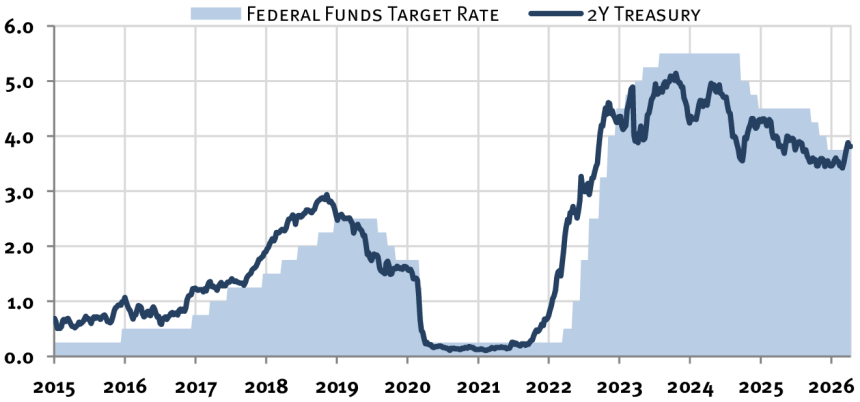
KEY MARKET RATES

Treasury Yields	3/31/2026	3/31/2025	YOY Δ
3M Treasury Bill	3.68	4.30	(0.62)
6M Treasury Bill	3.70	4.23	(0.53)
2Y Treasury Note	3.79	3.88	(0.09)
3Y Treasury Note	3.82	3.87	(0.06)
5Y Treasury Note	3.94	3.95	(0.01)
10Y Treasury Note	4.32	4.21	0.11
30Y Treasury Bond	4.91	4.57	0.34
10Y TIPS	2.01	1.84	0.18

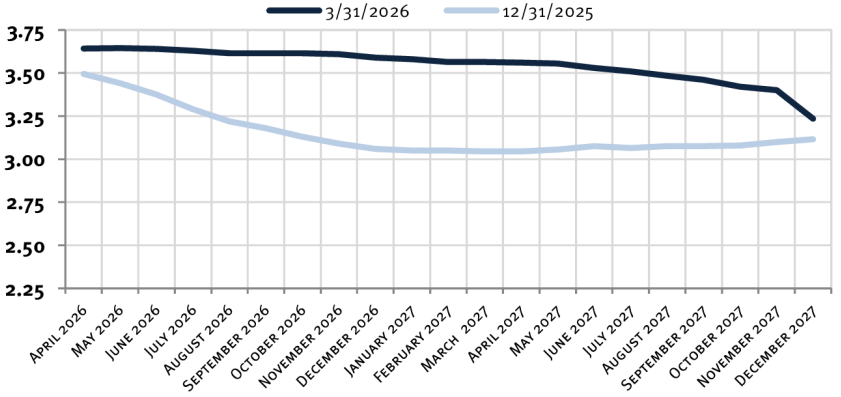
Other Key Interest Rates	3/31/2026	3/31/2025	YOY Δ
Fed Funds Target Rate	3.75	4.50	(0.75)
Fed Funds Effective Rate	3.64	4.33	(0.69)
Interest on Reserves	3.65	4.40	(0.75)
SOFR	3.68	4.41	(0.73)
SOFR 30-Day Average	3.65	4.33	(0.68)
Discount Rate	3.75	4.50	(0.75)
Prime	6.75	7.50	(0.75)
FHLMC 30Y Mortgage Rate	6.38	6.65	(0.27)

Stocks and Commodities	3/31/2026	3/31/2025	YOY Δ
Dollar Index	99.96	104.21	-4.1%
CRB Commodity Index	565.32	547.11	3.3%
Brent Crude Oil	118.35	74.74	58.3%
Gold	4,668	3,124	49.4%
DJIA	46,342	42,002	10.3%
S&P 500	6,529	5,612	16.3%
Russell 2000	2,496	2,012	24.1%
NASDAQ	21,591	17,299	24.8%

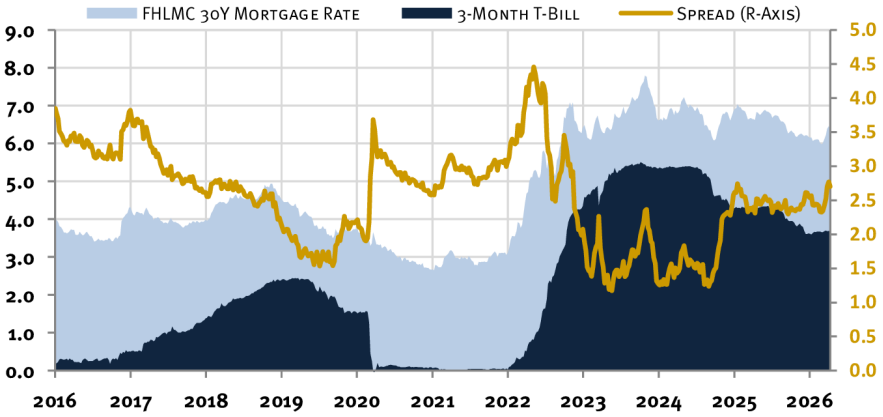
FEDERAL FUNDS TARGET RATE AND 2-YEAR TREASURY YIELD



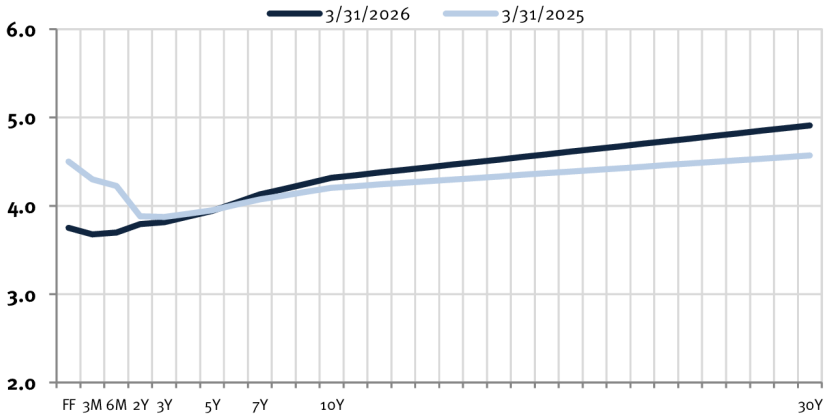
FED FUNDS FUTURES



FUNDING COSTS vs. FNMA 30Y MORTGAGE RATES



CURRENT TREASURY YIELD CURVE vs. ONE YEAR AGO



KEY ECONOMIC DATA

Gross Domestic Product (Chain-Weighted)	Dec-25	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
GDP *(S Billions)*	**24,056**	24,027	23,771	23,548	23,587	23,479	23,287	23,082	23,034	22,841	22,581	22,440	22,278
GDP *(QoQ, SAAR)*	**0.5%**	4.4%	3.8%	-0.6%	1.9%	3.3%	3.6%	0.8%	3.4%	4.7%	2.5%	2.9%	2.8%
Personal Consumption ($ Billions)	**16,665**	16,586	16,446	16,346	16,321	16,166	16,010	15,858	15,790	15,672	15,554	15,496	15,326
Personal Consumption (QoQ, SAAR)	**1.9%**	3.5%	2.5%	0.6%	3.9%	4.0%	3.9%	1.7%	3.0%	3.1%	1.5%	4.5%	0.8%
Real Disposable Personal Income ($ Billions)	**18,071**	18,071	18,025	17,943	17,843	17,755	17,701	17,596	17,417	17,269	17,183	17,002	16,519
Real Disposable personal Income (QoQ, SAAR)	**0.0%**	1.0%	1.8%	2.3%	2.0%	1.2%	2.4%	4.2%	3.5%	2.0%	4.3%	12.2%	4.1%
Private Investment ($ Billions)	**4,408**	4,383	4,383	4,548	4,316	4,392	4,382	4,296	4,313	4,276	4,181	4,109	4,185
Private Investment (QoQ, SAAR)	**2.3%**	0.0%	-13.7%	23.3%	-6.8%	0.9%	8.2%	-1.6%	3.6%	9.4%	7.2%	-7.1%	8.0%
Business Fixed Investment ($ Billions)	**4,406**	4,389	4,381	4,334	4,260	4,281	4,265	4,250	4,219	4,171	4,132	4,040	3,992
Business Fixed Investment (QoQ, SAAR)	**1.5%**	0.8%	4.4%	7.1%	-1.9%	1.5%	1.4%	3.0%	4.6%	3.8%	9.5%	4.9%	-0.5%
Residential Fixed Investment ($ Billions)	**761**	764	779	789	791	783	792	796	781	778	757	749	762
Residential Fixed Investment (QoQ, SAAR)	**-1.7%**	-7.1%	-5.1%	-1.0%	4.3%	-4.8%	-2.0%	8.2%	1.5%	11.5%	4.2%	-6.6%	-21.3%
Change in Business Inventories ($ Billions)	**8**	(6)	(190)	155	(52)	(6)	63	(49)	(6)	50	(26)	(117)	81
Government Spending ($ Billions)	**3,957**	4,015	3,993	3,994	4,004	3,971	3,919	3,887	3,865	3,821	3,774	3,743	3,705
Government Spending (QoQ, SAAR)	**-5.6%**	2.2%	-0.1%	-1.0%	3.3%	5.4%	3.3%	2.3%	4.7%	5.2%	3.3%	4.1%	4.1%
Federal Government Spending ($ Billions)	**1,459**	1,527	1,517	1,537	1,560	1,543	1,512	1,496	1,493	1,480	1,456	1,456	1,442
Federal Government Spending ($ Billions)	**-16.7%**	2.7%	-5.3%	-5.6%	4.4%	8.6%	4.3%	0.8%	3.4%	6.8%	-0.1%	4.1%	9.1%
State and Local Government Spending ($ Billions)	**2,497**	2,487	2,475	2,456	2,445	2,429	2,407	2,391	2,372	2,341	2,317	2,287	2,264
State and Local Government Spending (QoQ, SAAR)	**1.5%**	2.0%	3.1%	1.9%	2.7%	3.6%	2.8%	3.2%	5.4%	4.2%	5.4%	4.1%	1.4%
Net External Trade ($ Billions)	**(969)**	(956)	(1,058)	(1,381)	(1,069)	(1,065)	(1,032)	(964)	(934)	(926)	(928)	(912)	(945)
Net External Trade (QoQ, SAAR)	**-5.6%**	33.5%	65.5%	-178.3%	-1.5%	-13.3%	-31.4%	-13.5%	-3.5%	0.8%	-7.2%	13.0%	3.6%
Exports ($ Billions)	**2,687**	2,709	2,647	2,660	2,659	2,664	2,608	2,604	2,575	2,537	2,509	2,544	2,520
Exports (QoQ, SAAR)	**-3.2%**	9.6%	-1.8%	0.2%	-0.9%	8.9%	0.7%	4.6%	6.1%	4.4%	-5.3%	3.8%	-2.9%
Imports ($ Billions)	**3,655**	3,664	3,705	4,040	3,727	3,729	3,640	3,568	3,509	3,463	3,437	3,456	3,465
Imports (QoQ, SAAR)	**-1.0%**	-4.4%	-29.3%	38.0%	-0.2%	10.1%	8.4%	6.9%	5.4%	3.0%	-2.1%	-1.0%	-3.1%

Labor	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Unemployment Rate	4.3%	4.4%	4.3%	4.4%	4.5%		4.4%	4.3%	4.3%	4.1%	4.3%	4.2%	4.2%
Monthly Change in Nonfarm Payrolls (000s)	178	-133	160	-17	41	-140	76	-70	64	-20	13	108	67
Average Weekly Hours Worked Nonfarm	34.2	34.3	34.3	34.2	34.3	34.2	34.2	34.2	34.2	34.2	34.2	34.3	34.2
Average Hourly Earnings Nonfarm (YoY)	3.5%	3.8%	3.7%	3.7%	3.9%	3.9%	3.8%	4.0%	4.0%	3.9%	4.0%	3.9%	4.2%

Inflation	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Consumer Price Index (YoY)	3.3%	2.4%	2.4%	2.7%	2.7%		3.0%	2.9%	2.7%	2.7%	2.4%	2.3%	2.4%
Core Consumer Price Index (YoY)	2.6%	2.5%	2.5%	2.6%	2.6%		3.0%	3.1%	3.1%	2.9%	2.8%	2.8%	2.8%
Core Personal Consumption Expenditure (YoY)		3.0%	3.1%	3.0%	2.8%	2.8%	2.8%	2.9%	2.9%	2.8%	2.8%	2.6%	2.7%

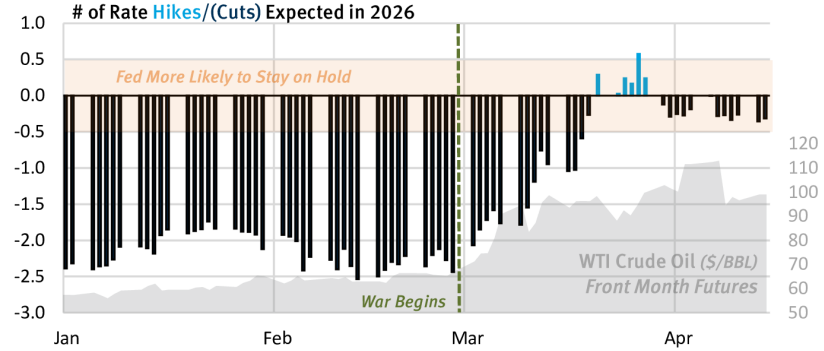
Housing	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
New Home Sales (000s, Annualized)			587	712	764	650	719	706	639	662	627	706	660
Existing Home Sales (Millions, Annualized)	3.98	4.13	4.02	4.27	4.09	4.11	4.08	4.03	4.03	3.98	4.04	4.02	4.02
Homebuilder Confidence Index	38	37	37	39	38	37	32	32	33	32	34	40	39
Housing Starts (000s, Annualized)			1487	1387	1324	1272	1328	1291	1420	1382	1282	1398	1355
Building Permits (000s, Annualized)			1386	1455	1388	1411	1415	1330	1362	1393	1394	1422	1481

Other	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25
Industrial Production (YoY Change in Output)		1.4%	2.3%	1.4%	2.1%	1.8%	1.9%	1.2%	1.9%	0.6%	0.1%	0.9%	0.6%
ISM Manufacturing Index	52.7	52.4	52.6	47.9	48.0	48.8	48.9	48.9	48.4	49.0	48.6	48.8	48.9
ISM Non-Manufacturing Index	54.0	56.1	53.8	53.8	52.4	52.0	50.3	51.9	50.5	50.8	50.2	51.6	50.8
ISM Economy-Weighted Composite index	53.9	55.7	53.7	53.2	52.0	51.7	50.2	51.6	50.3	50.6	50.0	51.3	50.6
Auto Sales (Millions, Annualized)	16.34	15.75	14.85	16.02	15.60	15.32	16.39	16.07	16.41	15.34	15.65	17.27	17.77
Consumer Confidence (U of M)	53.3	56.6	56.4	52.9	51.0	53.6	55.1	58.2	61.7	60.7	52.2	52.2	57.0

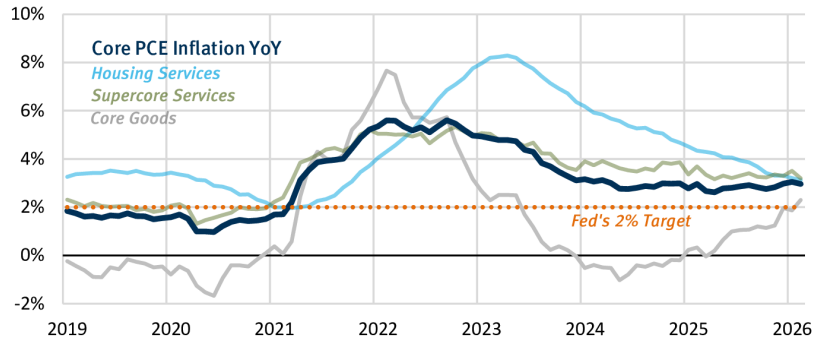
Executive Summary

Key Market Rates

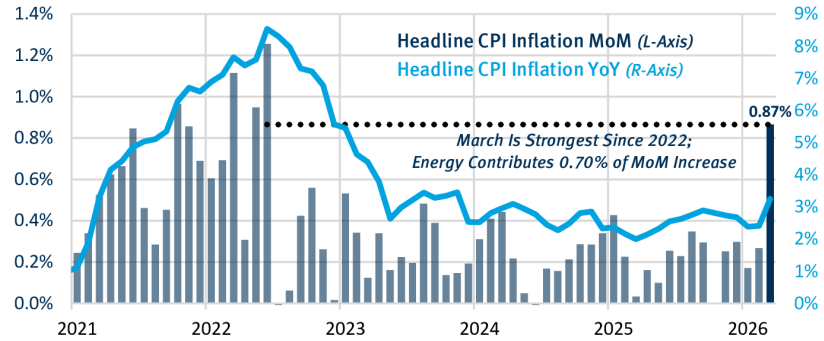
WAR IN IRAN UPENDED EXPECTATIONS FOR ADDITIONAL FED EASING THIS YEAR



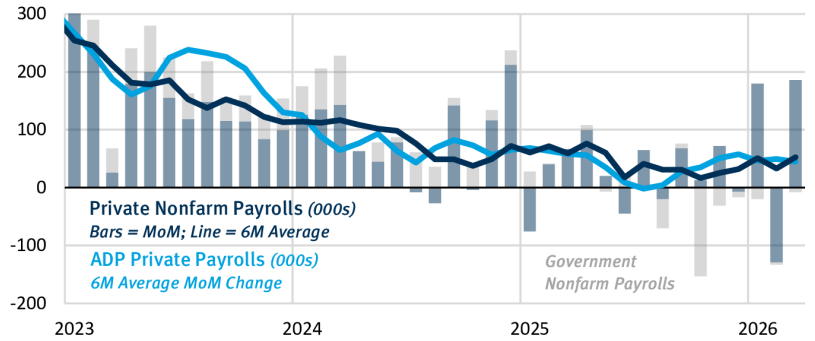
INFLATION REMAINED FRUSTRATINGLY STICKY EVEN BEFORE ANY WAR EFFECTS



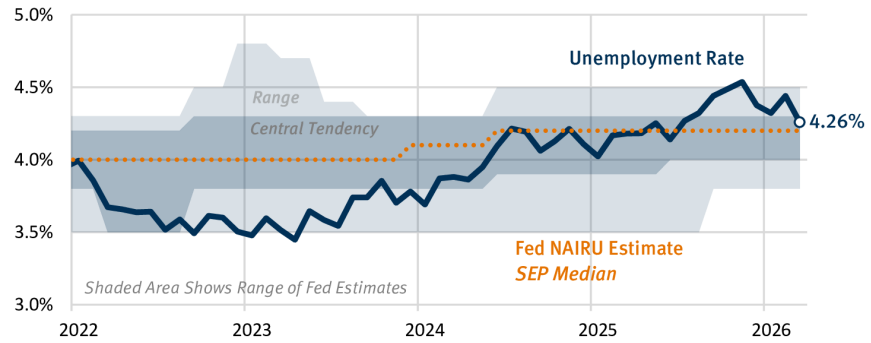
AND NOW FACES THE NEW UPSIDE RISK FROM AN ENERGY PRICE SHOCK



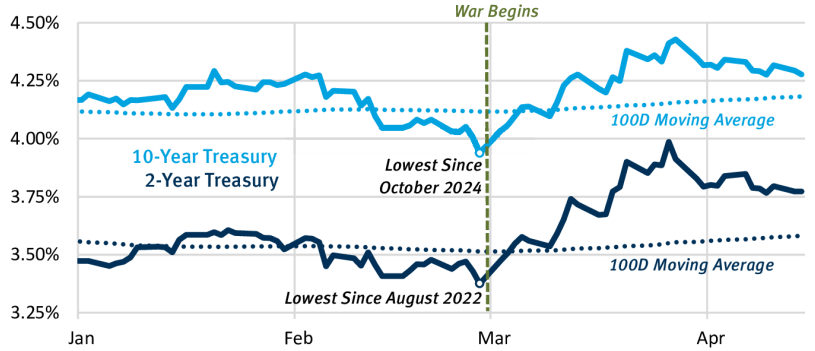
STRONG MARCH PAYROLL DATA EASED WORRIES AFTER FEBRUARY'S JOB LOSS



AND UNEMPLOYMENT'S DECLINE ALLEVIATED SOME TENSION BETWEEN THE MANDATES



UNCERTAINTY, RATES LIKELY TO REMAIN ELEVATED UNTIL THE FOG OF WAR LIFTS



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, ADP, Federal Reserve, Bloomberg Finance L.P., Stifel

Sector Analysis

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Sector Analysis

Other Sector Portfolio

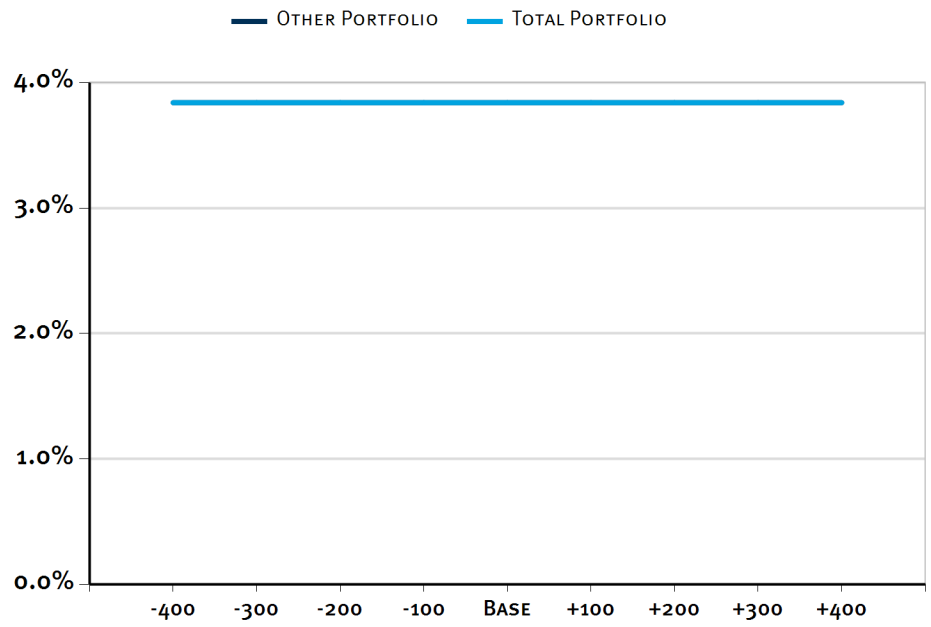
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	1	1	1	1	1	1	1	1	1
Current Face	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756
Book Value	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756	4,027,756
Book Price	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Proj. Yld. At Book Px.	3.84%	3.84%	3.84%	3.84%	3.84%	3.84%	3.84%	3.84%	3.84%
Market Value	4,041,402	4,038,059	4,034,611	4,031,176	4,027,756	4,024,349	4,020,945	4,017,558	4,014,182
Market Price	100.34	100.26	100.17	100.08	100.00	99.92	99.83	99.75	99.66
Market Yield	-0.19%	0.79%	1.80%	2.82%	3.84%	4.86%	5.89%	6.91%	7.94%
% Price Change	0.3%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	13,646	10,303	6,855	3,420	0	-3,407	-6,811	-10,198	-13,574
Gain/Loss %	0.34%	0.26%	0.17%	0.08%	0.00%	-0.08%	-0.17%	-0.25%	-0.34%
Average Life	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Effective Duration	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Effective Convexity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Other Contribution to Total Portfolio Measures

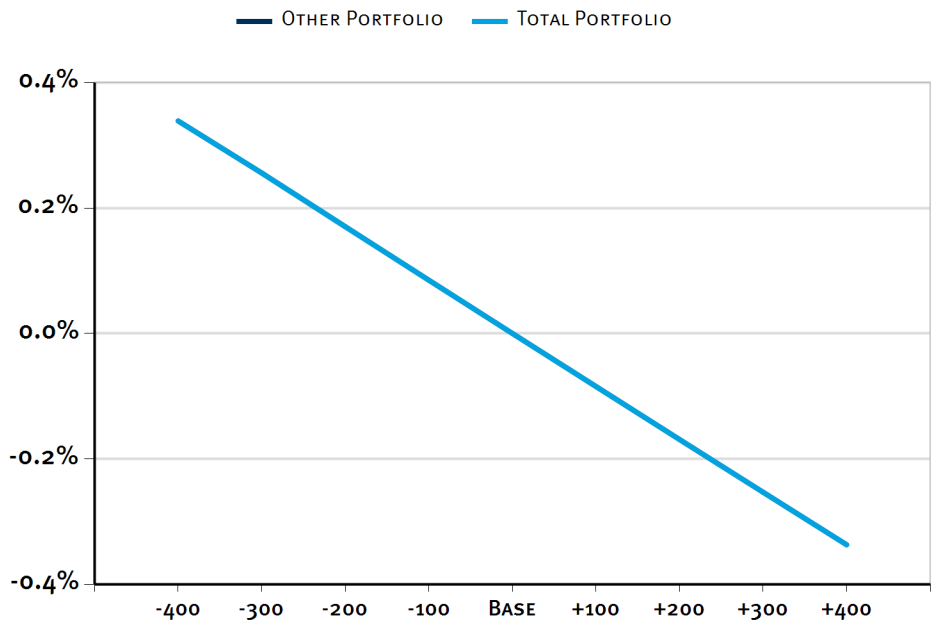
Allocation, Mkt Val	100.0%
Px Risk Contribution[1]	100.0%
Yield Contribution[2]	100.0%

[1] Risk - Sector px. vol. +300 as % of total port. px. vol
[2] Yield - Sector yield as a % of total port. yield.

Other Sector Yield @ Book vs Total Portfolio



Other Sector Price Volatility vs Total Portfolio



Cashflow Analysis

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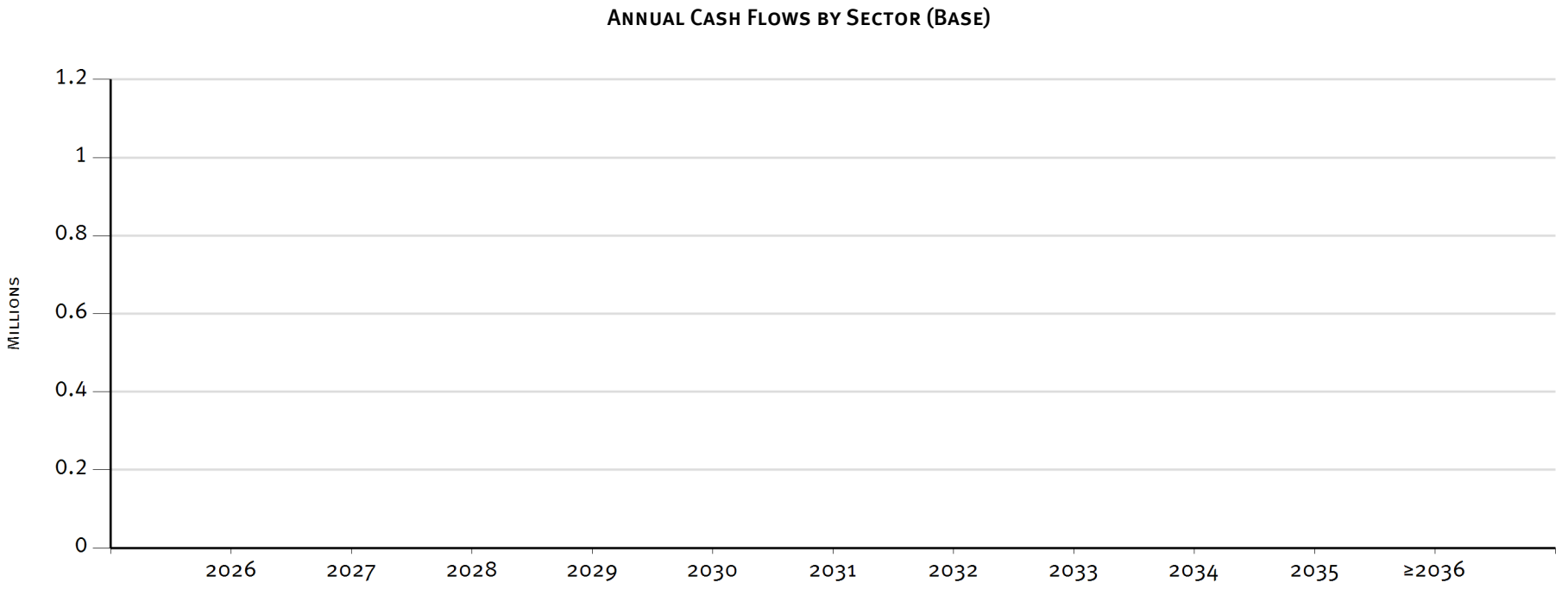
Cash Flow Analysis

Annual Base

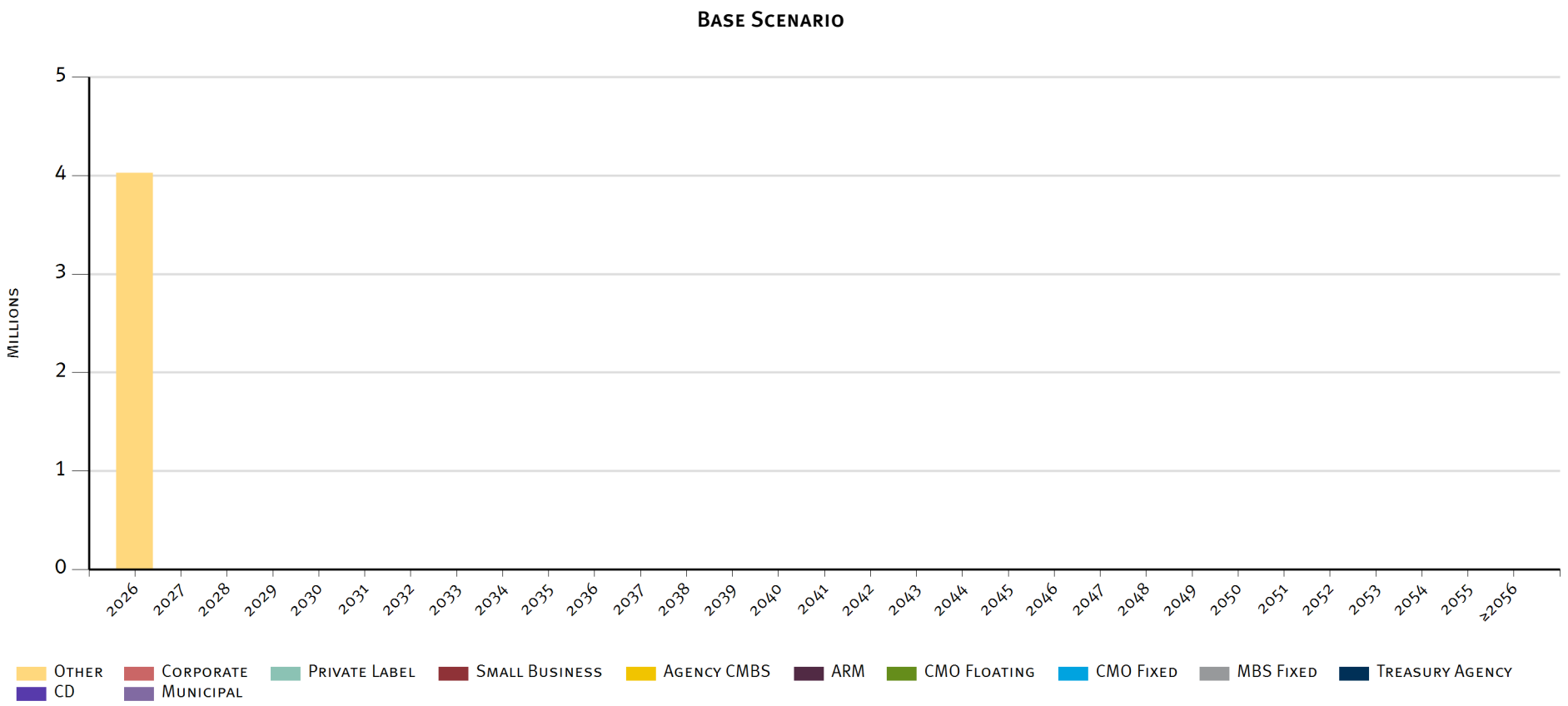
Annual Cash Flows by Sector (Base)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥2036
Treasury/Agency	0	0	0	0	0	0	0	0	0	0	0
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0
ARM	0	0	0	0	0	0	0	0	0	0	0
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0
CMO Floating	0	0	0	0	0	0	0	0	0	0	0
Agency CMBS	0	0	0	0	0	0	0	0	0	0	0
Small Business	0	0	0	0	0	0	0	0	0	0	0
Private Label	0	0	0	0	0	0	0	0	0	0	0
Municipal	0	0	0	0	0	0	0	0	0	0	0
Corporate	0	0	0	0	0	0	0	0	0	0	0
CD	0	0	0	0	0	0	0	0	0	0	0
Other	4,027,756	0	0	0	0	0	0	0	0	0	0
Total	**4,027,756**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
% of Total Portfolio	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%



Cash Flow Analysis

Cash Flows By Sector - Next 30 Years



Cash Flow Analysis

Annual Shocked

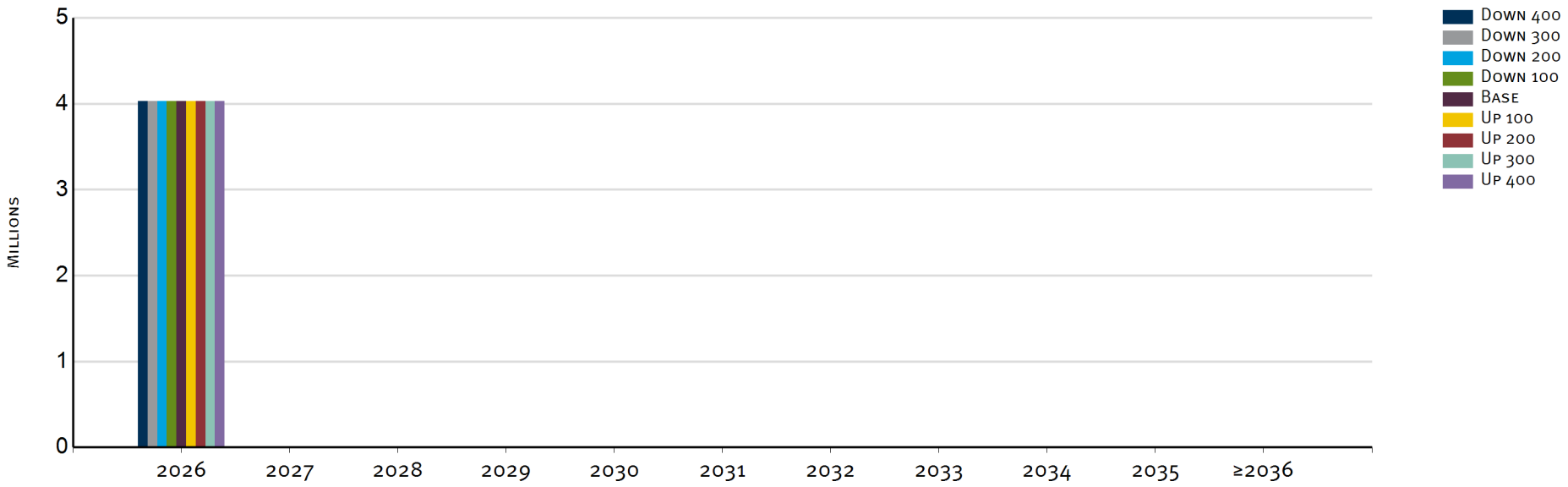
Shocked Annual Portfolio Cash Flows

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	4,027,756	0	0	0	0	0	0	0	0	0	0
Down 300	4,027,756	0	0	0	0	0	0	0	0	0	0
Down 200	4,027,756	0	0	0	0	0	0	0	0	0	0
Down 100	4,027,756	0	0	0	0	0	0	0	0	0	0
Base	**4,027,756**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Up 100	4,027,756	0	0	0	0	0	0	0	0	0	0
Up 200	4,027,756	0	0	0	0	0	0	0	0	0	0
Up 300	4,027,756	0	0	0	0	0	0	0	0	0	0
Up 400	4,027,756	0	0	0	0	0	0	0	0	0	0

Change in Shocked Annual Portfolio Cash Flows from Base

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	0	0	0	0	0	0	0	0	0	0	0
Down 300	0	0	0	0	0	0	0	0	0	0	0
Down 200	0	0	0	0	0	0	0	0	0	0	0
Down 100	0	0	0	0	0	0	0	0	0	0	0
Up 100	0	0	0	0	0	0	0	0	0	0	0
Up 200	0	0	0	0	0	0	0	0	0	0	0
Up 300	0	0	0	0	0	0	0	0	0	0	0
Up 400	0	0	0	0	0	0	0	0	0	0	0

Shocked Annual Portfolio Cash Flows

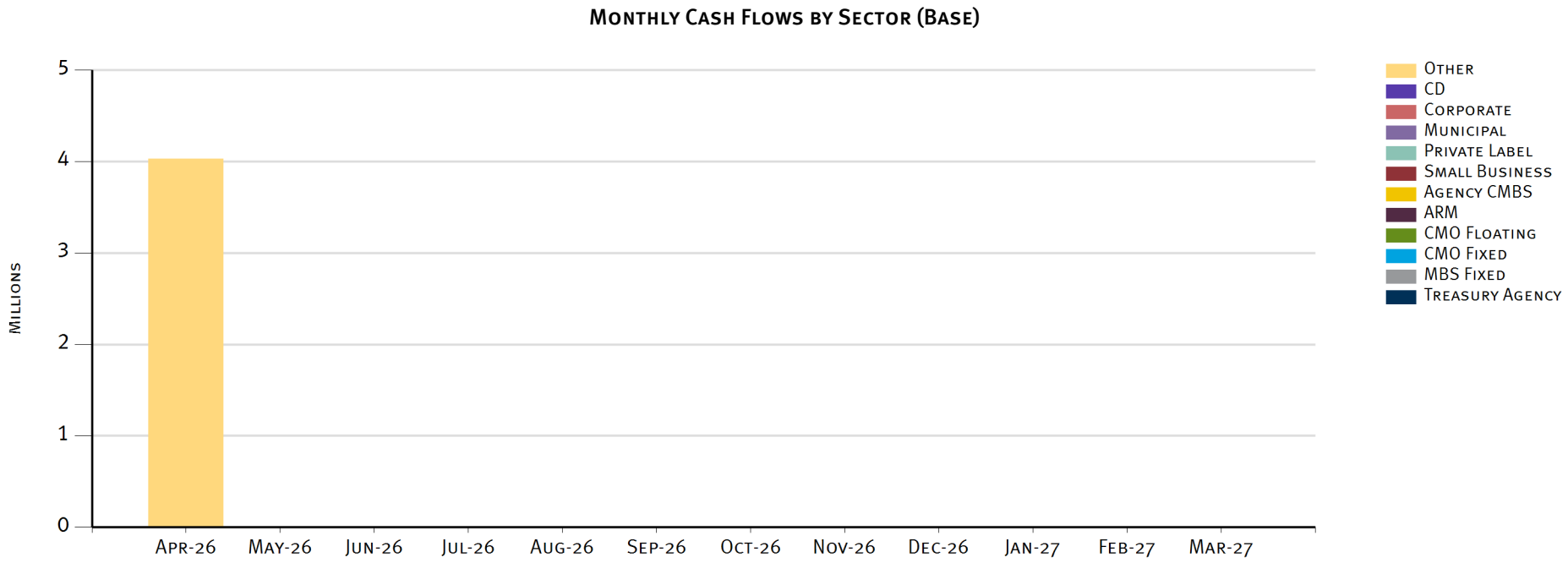


Cash Flow Analysis

Monthly Base

Monthly Cash Flows by Sector (Base)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total	% of Total Portfolio
Treasury/Agency	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ARM	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CMO Floating	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Agency CMBS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Small Business	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Private Label	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Municipal	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Corporate	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CD	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Other	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756	100.0%
Total	**4,027,756**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4,027,756**	**100.0%**
% of Total Portfolio	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	



Cash Flow Analysis

Monthly Shocked

Shocked Monthly Portfolio Cash Flows (Year 1)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total
Down 400	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Down 300	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Down 200	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Down 100	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Base	**4,027,756**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4,027,756**
Up 100	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Up 200	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Up 300	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756
Up 400	4,027,756	0	0	0	0	0	0	0	0	0	0	0	4,027,756

Change in Monthly Cash Flows from Base (Year 1)

	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Total
Down 400	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 400	0	0	0	0	0	0	0	0	0	0	0	0	0

Shocked Monthly Portfolio Cash Flows (Year 2)

	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Total
Down 400	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Base	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Up 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 400	0	0	0	0	0	0	0	0	0	0	0	0	0

Change in Monthly Cash Flows from Base (Year 2)

	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Total
Down 400	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Down 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 100	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 200	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 300	0	0	0	0	0	0	0	0	0	0	0	0	0
Up 400	0	0	0	0	0	0	0	0	0	0	0	0	0

Cash Flow Analysis

Yield Forecaster

	Down 100 (3.47% Assumed Reinvestment Rate)[1]					Base Case (4.47% Assumed Reinvestment Rate)[1]					Up 100 (5.47% Assumed Reinvestment Rate)[1]				
	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield	Principal Cash Flow	Cuml. Pay Down	Rolloff Yield	Rem. Port. Yield	Reinvest Port. Yield
Apr-26	4,027,756	100.0%	3.84	0.00	3.47	4,027,756	100.0%	3.84	0.00	4.47	4,027,756	100.0%	3.84	0.00	5.47
May-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jun-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jul-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Aug-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Sep-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Oct-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Nov-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Dec-26	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jan-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Feb-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Mar-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Apr-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
May-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jun-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jul-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Aug-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Sep-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Oct-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Nov-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Dec-27	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jan-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Feb-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Mar-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Apr-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
May-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jun-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jul-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Aug-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Sep-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Oct-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Nov-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Dec-28	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Jan-29	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Feb-29	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47
Mar-29	0	100.0%	0.00	0.00	3.47	0	100.0%	0.00	0.00	4.47	0	100.0%	0.00	0.00	5.47

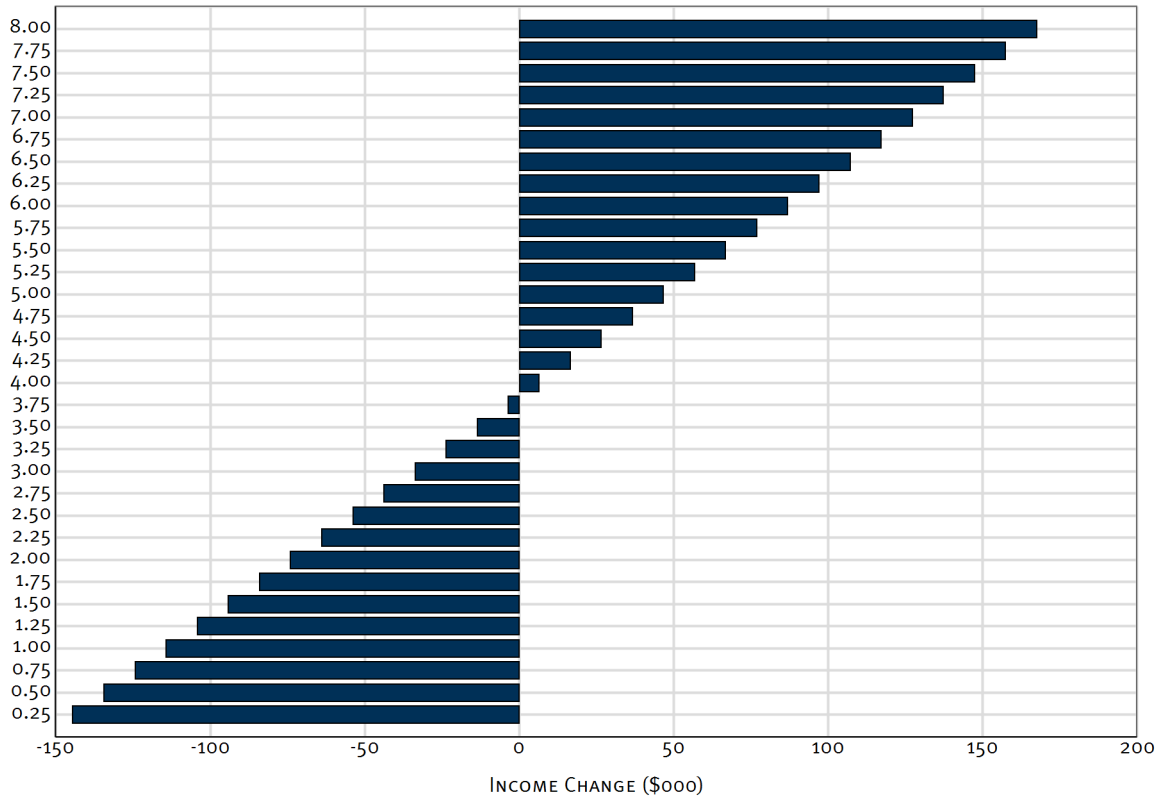
[1] Base reinvestment set at 5 Year Treasury rate +50 basis points

Cash Flow Analysis

Gap Analysis - Potential Income Impact of Principal Reinvestment

Principal Maturing (12 Mo Horizon)	4,028
Current Book Yield of Principal Maturing	3.84%
Estimated Annual Income at Current Book Yield	$155

Estimated Impact on Income at Various Reinvestment Yields



Assumed Reinvestment Yield	Estimated Annualized Income	Income Difference From Current Book	Resulting Book Yield
0.25	10	-145	0.25
0.50	20	-135	0.50
0.75	30	-124	0.75
1.00	40	-114	1.00
1.25	50	-104	1.25
1.50	60	-94	1.50
1.75	70	-84	1.75
2.00	81	-74	2.00
2.25	91	-64	2.25
2.50	101	-54	2.50
2.75	111	-44	2.75
3.00	121	-34	3.00
3.25	131	-24	3.25
3.50	141	-14	3.50
3.75	151	-4	3.75
4.00	161	6	4.00
4.25	171	17	4.25
4.50	181	27	4.50
4.75	191	37	4.75
5.00	201	47	5.00
5.25	211	57	5.25
5.50	222	67	5.50
5.75	232	77	5.75
6.00	242	87	6.00
6.25	252	97	6.25
6.50	262	107	6.50
6.75	272	117	6.75
7.00	282	127	7.00
7.25	292	137	7.25
7.50	302	147	7.50
7.75	312	157	7.75
8.00	322	168	8.00

Cash Flow Analysis

Projected Call and Maturity Report

Projected Call and Maturity Dates by Rate Scenario (Next 12 Months)

Description	CUSIP	Maturity	Next Call Date	Coupon	Current Face	Book Gain/Loss	Yld @ Book	Projected Call / Maturity Date								
								-400	-300	-200	-100	Base	+100	+200	+300	+400

Supplemental Analysis

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Sector Supplemental Analysis

Key Portfolio Sorts

Top 10 Up 300 Market Value Changes (%)

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
PLMDLLA1F	Cash & Other	STATE OF CALIFORNIA LOCAL	3.87	04/30/26	4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	AFS
			3.87		4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	

Top 10 Up 300 Market Value Changes ($)

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
PLMDLLA1F	Cash & Other	STATE OF CALIFORNIA LOCAL	3.87	04/30/26	4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	AFS
			3.87		4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	

Sector Supplemental Analysis

Key Portfolio Sorts

Top 10 Marked To Market Up 300 Loss Positions

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	WAL	% Px Δ +300	$ Amt Δ +300	G/L +300	Eff Dur	INT
PLMDLLA1F	Cash & Other	STATE OF CALIFORNIA LOCAL	3.87	04/30/26	4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	AFS
			3.87		4,027,756	100.00	100.00		3.84	0.1	-0.3	-10,198	-10,198	0.1	

Top 10 Average Life Extension Up 300bps

CUSIP	Sector	Description	Cpn	Maturity	Par Value	Book Price	Mkt Price	G/L	Yld @ Book	% Px Δ +300	Eff Dur	WAL	WAL +300	Chg in WAL	INT
PLMDLLA1F	Cash & Other	STATE OF CALIFORNIA LOCAL	3.87	04/30/26	4,027,756	100.00	100.00		3.84	-0.3	0.1	0.1	0.1	0.0	AFS
			3.87		4,027,756	100.00	100.00		3.84	-0.3	0.1	0.1	0.1	0.0	

CUSIP Details

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CUSIP Details

Security Details - Other Sector

					Coupon									% Price Change			
CUSIP	FAS	Description	Structure	Current	Type	Rate	Next Step	Maturity	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	-100	+100	+300	Eff Dur
PLMDLLA1F	AFS	STATE OF CALIFORNIA LOCAL	Bullet	4,027,756	Fixed	3.870		4/30/26	100.00	3.84	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
TOTAL		**OTHER**		**4,027,756**		**3.871**		**4/30/26**	**100.00**		**100.00**	**0**	**0.0%**	**0.1**	**0.1**	**-0.1**	**-0.3**	**0.1**

Scenario Yield and Price Analysis

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Scenario Yield and Price Analysis

Interest Rate Risk / Reward - Other Sector

		Book			Projected Yield At Book Price									% Change in Market Price							
CUSIP	Description	Value	Price	Market Price	-400	-300	-200	-100	Base	+100	+200	+300	+400	-400	-300	-200	-100	+100	+200	+300	+400
PLMDLLA1F	STATE OF CALIFORNIA LOCAL AGENCY I	4,027,756	100.00	100.00	3.84	3.84	3.84	3.84	**3.84**	3.84	3.84	3.84	3.84	0.3	0.3	0.2	0.1	-0.1	-0.2	-0.3	-0.3
TOTAL	**OTHER SECTOR**	**4,027,756**	**100.00**	**100.00**	**3.84**	**3.84**	**3.84**	**3.84**	**3.84**	**3.84**	**3.84**	**3.84**	**3.84**	**0.3**	**0.3**	**0.2**	**0.1**	**-0.1**	**-0.2**	**-0.3**	**-0.3**

* n.m.: Yield not meaningful

Addendum

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Addendum

Portfolio Exceptions

Portfolio Exceptions

	Exception Description	CUSIP	Sector	Sub Sector	Sub Sub Sector	Security Description	Current Par	Book Price	Market Price
No bonds were excluded from your portfolio									

Portfolio Exceptions Summary

Total Current Par	Excluded Current Par	Included Current Par	Excluded Pct	Total Count	Excluded Count	Included Count	Excluded Pct
4,027,756	0	4,027,756	0.00%	1	0	1	0.00%

Addendum

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	Applied	Notes
Date Requested	04/17/2026	The Performance Profile was requested on this date
Book Date	03/31/2026	The portfolio's book (holding) price is as of this date
As-Of Date	03/24/2026	Market pricing for this portfolio is as of this date.
Call Report	n.a.	Most recent institution call report available on Date Requested
Risk Manager	n.a.	The most recent Risk Manager information as of Date Requested
Tax Rate Applied	21.00%	Adjustable, defaults to 21.00% C-Corp Bank, 29.60% S-Corp Bank, 0.00% Credit Union
Cost of Funds	1.0%	Used to calculate Tax-Equivalent Yields where appropriate for depositories
TEFRA	Tax-Free Munis	C-Corp Bank (20% BQ, 100% GM); S-Corp Bank (0% BQ, 100% GM); all else n.a.
Portfolio Statistics	04/17/2026	The most recent Stifel portfolio summary statistics as of Date Requested

Addendum

Key Terms and Definitions

Term	Definition
Adjustment Frequency	For adjustable-rate mortgages (ARMs), the number of months between the loan's or security's coupon adjustment dates. GNMA ARMs adjust annually in one of the following months: January, April, July, or October; FNMA and FHLMC issues also usually have annual reset dates although the adjustment dates occur at any time during the year.
Book Yield	Usually provided from Bond Accounting reports and represents the Annualized yield to maturity (or call) based on the book value of a bond and projected cash flows. Similar to "Projected Yield at Book" except 3mo Historical Speeds are commonly employed in calculating Book Yield for amortizing securities rather than a forward looking estimate.
Collateral	Assets that are used to secure payment of certain bonds, for example, real estate is a source of collateral for mortgage backed securities.
Coupon	The stated interest rate on a bond that is used to calculate interest payments that are payable to bond holders. A coupon rate of interest can be fixed over the life of the bond or a variable rate of interest that is calculated using a formula described in the offering documents. Floating coupon rates are generally a simple spread (or margin) relative to a stated index (such as LIBOR). Many bonds include caps and floors on the coupon interest rate and some contain more complex formulas.
Convexity	An incremental measure (along with the linear measure of duration) to capture the curvature of a bond's price/yield relationship. Practically, negative convexity indicates the upside price of a bond is limited if rates fall due to embedded options (mortgage prepayments or an issuers ability to call the bond).
Current Face (Par Amount)	Computed by multiplying the original face by the current factor, represents principal remaining for an investor to receive.
Current Index	The level of the index at a specified moment in time that is used in conjunction with the margin to establish the security's coupon.
Effective Duration	Or "option-adjusted duration" measures interest rate risk of a security considering the impact of optionality and possible changes in future interest rates. It is calculated by averaging the percentage changes in the security's value under the higher and lower rate environments, while 25bp, 50bp or other sized yield shifts are commonly used, the rate of change is restated as a 100bp equivalent by simple multiplication.
Enhanced Credit Rating	A rating that reflects the underlying issue's standalone credit quality as well as any credit support provided by a state credit enhancement program.
Factor	Relevant for bonds that pay amortizing principal to bond holders. The factor equals the percentage of the original face that is outstanding.
Floor	For adjustable-rate securities, it is the lowest level to which a coupon can fall over the life of the security
Forward Curve	The forward curve is a graph that defines the prices (yields) at which a contract for future delivery or payment can be concluded today, it represents a term structure of forward rates.
Gross WAC	The weighted-average mortgage rate of all the loans in a pool.
Initial Reset Date	The date on which an adjustable-rate mortgage (ARM) or underlying mortgage in an ARM pool can reset for the first time.
Internal Rate of Return	A sector or portfolio yield to expected maturity based on the portfolio's expected cash flows, treated as a single instrument. This reflects the overall yield to expected maturity of the portfolio, not a monthly earnings rate. On a single bond, IRR is the same as yield.
Lifetime Cap	For adjustable-rate securities, it is the highest level that a coupon may attain over the life of the security.
Margin	The amount added to the index of a floating rate loan or security (such as an adjustment rate mortgage security) in order to calculate a coupon rate of interest.
Market Yield	The yield of a bond at current market price. For a bond you own, an indication of what yield the market will pay you today for the bond.
Months to Roll (MTR)	Months remaining until a bond's coupon will next reset
Pay Window	For CMO's, the expected date range to receive principal payments.
Prepay Speeds	Prepayments occur when a servicer receives principal payments above the scheduled amount. The velocity of the prepayments is measured using prepayment speeds, typically measured using conditional prepayment rate (CPR) or prepayment speed assumption (PSA).
Price Volatility	The percentage change in price for a given a change in interest rates. Price volatility is generally calculated using a parallel, instantaneous shock in a benchmark yield curve assuming constant spreads relative to the benchmark curve.
Projected Call	The date at which a callable bond is projected to be redeemed at a given level of interest rates. All things equal, higher rates should extend the date and lower rates should accelerate the redemption date.
Projected Yield at Book	Annualized yield to maturity (or call) based on the book value of a bond and projected cash flows given the market conditions at the time of the analysis.
Roll Date	The date (or weighted average date) that a bond's coupon can reset
Static Cash Flow Gap Estimate	In the absence of more robust Earnings at Risk simulations, an estimate of how sensitive a depository's margin is to movements in interest rates by comparing the amount and sensitivity of repricing Assets and Liabilities. A positive gap indicates more assets repricing than liabilities (asset sensitive) and a negative gap indicates more liabilities repricing than assets (liability sensitive).
Tranche	Class of debt securities issued as part of a bond instrument, each part (tranche) characterized by a unique set of features such as maturity, interest (coupon) rate, interest payment date, to suit the needs of different investors.
Underlying Credit Rating	A rating issued by an agency assessing the ability of an issuer to repay its debt. The assessment of creditworthiness is based solely on the obligor and does not include enhancements from a third party.
Weighted Average Life (WAL)	The weighted-average time in years that the principal of a security is expected to be outstanding. For mortgage securities and callable bonds, average life varies with prepayment speeds and yield curve assumptions.
Weighted Average Loan Age (WALA)	The average age of all mortgages in a pool, weighted by current balance.
Weighted Average Maturity (WAM)	The average remaining maturity of the underlying mortgages in a pool, weighted by current balance.
Yield at Book Price	On a sector or portfolio summary level, this is a book value-weighted average yield. It reflects expected earnings in the current month. Over time, relatively low (or high) yields may mature, increasing (or decreasing) subsequent months' expected earnings versus the initial weighted average.
Yield Contribution	For a given a sectors weight, how much yield does it contribute to the overall portfolio.

Addendum

Key Terms and Definitions

Yield to Maturity (YTM)	The single yield that makes the present value of the cash flows to maturity equal to the price plus accrued interest.
Yield to Call (YTC)	The single yield that makes the present value of the cash flows to the call date equal to the price plus accrued interest.
Yield to Worst (YTW)	The lower of the yield to maturity and the yield to call.

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-026, 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 REPEALING RESOLUTION NO. CC 2025-045, AND ADOPT RESOLUTION NO. SA 2026-003, 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 REPEALING RESOLUTION NO. SA 2025-002**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-026, 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 repealing Resolution No. CC 2025-045; and,

2. Adopt Resolution No. SA 2026-003, 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 repealing Resolution No. SA 2025-002.

BACKGROUND

The Palmdale Municipal Code (PMC) Section 3.14.030 requires that the City Council designate by Resolution the names of those individuals holding offices identified in PMC 03.14.020 as authorized signers of checks, drafts, warrants, or other orders for payment of money drawn in the name of the City and the Successor Agency.

DISCUSSION

Resolution Nos. CC 2026-026 and SA 2026-003 set forth the list of individuals holding such positions who are designated as authorized signers of checks and warrants for the City of Palmdale and the Successor Agency. The updates below are reflected in the proposed Resolutions:

Add:

City Manager	Salvador Mendez
Deputy City Manager	Janelle Samson

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, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso No. CC 2026-026
Reso No. SA 2026-003

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-026

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 REPEALING RESOLUTION NO. CC 2025-045.

WHEREAS, the City has engaged various financial institutions as depositories of City moneys: and

WHEREAS, the City Council has, by ordinance, heretofore designated by title certain officials who are authorized to sign checks, drafts, warrants, or other orders for the payment of money drawn in the name of the City.

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

SECTION 1. For purposes of implementing Section 3.14.020 and 3.14.030 of the Palmdale Municipal Code, the following persons are designated by name and are expressly authorized to sign checks, drafts, warrants, or other orders for the payment of money drawn in the name of the City:

City Manager	- SALVADOR MENDEZ
or	
Deputy City Manager	- JANELLE SAMSON
or	
Director of Finance*	- VACANT
or	
City Treasurer	- VACANT
or	
Deputy Director of Finance	- SARAH JOHNSTON
or	
Deputy City Treasurer	- SARAH JOHNSTON

*Director of Finance is titled as Director of Operations, effective November 15, 2023

SECTION 2. Resolution No. CC 2025-045 is repealed in its entirety.

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

PASSED, APPROVED and **ADOPTED** this 5th day of May, 2026.

Approved as to form:

Alexandra Severino
City Attorney

_____
Eric Ohlsen, 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 5th day of May, 2026 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PALMDALE, CALIFORNIA

RESOLUTION NO. SA 2026-003

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 REPEALING RESOLUTION NO. SA 2025-002.

WHEREAS, the Successor Agency to the Community Redevelopment Agency of the City of Palmdale is engaging a financial institution as a depository of Successor Agency moneys and funds: and

WHEREAS, the Chair and Directors of the Agency have, by ordinance, heretofore designated by title certain officials who are authorized to sign checks, drafts, warrants or other orders for the payment of money drawn in the name of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale.

NOW THEREFORE, BE IT RESOLVED, THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. For purposes of implementing Section 3.14.020 and 3.14.030 of the Palmdale Municipal Code, the following persons are designated by name and are expressly authorized to sign checks, drafts, warrants, or other orders for the payment of money drawn in the name of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale:

Executive Director	- SALVADOR MENDEZ
or	
Deputy City Manager	- JANELLE SAMSON
or	
Director of Finance*	- VACANT
or	
City Treasurer	- VACANT
or	
Deputy Director of Finance	- SARAH JOHNSTON
or	
Deputy City Treasurer	- SARAH JOHNSTON

*Director of Finance is titled as Director of Operations, effective November 15, 2023

SECTION 2. Resolution No. SA 2025-002 is repealed in its entirety.

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

PASSED, APPROVED and **ADOPTED** this 5th day of May 2026.

Approved as to form:

_____
Eric Ohlsen, Chair

ATTEST:

_____
Alexandra Severino
General Counsel

_____
Rochelle Scott, Agency Secretary

I, Rochelle Scott, Agency Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the Successor Agency at a regular meeting of said Agency held on the 5th day of May 2026 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, Agency Secretary

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
MAINTENANCE DIVISION

DISTRICT: **1**

SUBJECT: **APPROVE AGREEMENT WITH TK ELEVATOR CORPORATION FOR ELEVATOR MODERNIZATION SERVICES FOR A TOTAL NOT TO EXCEED AMOUNT OF $162,435 FOR A TERM OF ONE YEAR**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-9116 with TK Elevator Corporation for elevator modernization services for a total not to exceed amount of $162,435, which includes a project amount of $147,668, plus a 10% contingency amount of $14,767, for a term of one year; and,

2. Authorize the City Manager or his designee to execute Agreement No. A-9116 with TK Elevator Corporation, including minimal and/or non-substantial changes.

BACKGROUND

The Development Services Building, constructed in 2002, contains a single elevator that has been in continuous service for more than 24 years. The system is original to the building and has become increasingly difficult to maintain due to outdated technology and limited availability of replacement parts. These challenges have resulted in longer repair times, higher maintenance costs, and greater risk of service outages.

To address these issues, the system requires a comprehensive upgrade of mechanical and electrical components necessary to meet current operational and safety standards.

DISCUSSION

The proposed agreement with TK Elevator Corporation provides for the modernization of the Development Services Building elevator system through a cooperative purchasing contract.
The modernization will replace outdated control systems, electrical components, and operational features, while retaining certain structural elements where appropriate. The scope of work includes:

- Installation of a new controller system and upgraded electrical components
- Updated door operators, safety systems, and communication features
- Integration of ADA-compliant elements, such as improved phone systems and accessibility indicators
- Enhanced fire and life-safety features meeting current code requirements
- New monitoring and diagnostic capabilities to reduce troubleshooting time

These upgrades are expected to improve system performance and extend the elevator's service life, improve safety, and lower energy consumption.

The project will follow a phased process that includes equipment design, material procurement, fabrication, and installation, with an expected total duration of approximately 30 weeks. Physical installation is anticipated to require approximately eight weeks from the commencement of on-site work.

TK Elevator Corporation has provided routine and as-needed maintenance for the City's elevator and passenger lift systems for more than 20 years. Their familiarity with the Development Services Building elevator and its maintenance history makes them uniquely qualified to perform this work. Therefore, using Sourcewell Contract No. 050224-TKE allows the City to streamline procurement and secure competitively priced bids.

FISCAL IMPACT

$162,435; Sufficient funds are budgeted and available in the Facility Maintenance accounts for Fiscal Year 2025-26.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9116 with TK Elevator Corporation
Sourcewell Contract No. 050224-TKE

SOURCEWELL COOPERATIVE AGREEMENT 050224-TKE / A-9116BETWEEN

THE CITY OF PALMDALE AND TK ELEVATOR CORPORATION

The City of Palmdale has agreed to the terms and conditions of the above-stated contract with TK ELEVATOR CORPORATION (herinafter called "CONTRACTOR).

The parties agree to the use of Cooperative Contract 050224-TKE / A-9116.

The city shall pay the CONTRACTOR an amount not to exceed One Hundred Sixty-Two Thousand Four Hundred Thirty-Five dollars ($162435.00) for the completion of all the work and services, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as follows:
Development Services Elevator Modernization Project

A. Project Cost
1. Proposal price.....$145,167.20
2. Bonds.....$2,500.00
Project Total.....$147,668.00
Contingency (10%).....$14,767.00

B. Payment of Work (Project Total Only)
1. Initial progress payment (55%).....$81,216.97
2. Material furnished (20%).....$29,533.44
3. Remaining progress payment (25%).....$36,916.81

Any work CITY may require prior to turnover of the equipment that is outside of the scope, classified other than Temporary Use, shall be performed only after the full execution of a mutually agreeable change order and only at the following hourly rates:

- Mechanic (Standard).....$345.00 per hour
- Mechanic (Overtime).....$616.00 per hour
- Team (Standard).....$621.00 per hour
- Team (Overtime).....$1,109.00 per hour

Rates are not inclusive of any per diem, mileage, or other expenses which may be dependent on jobsite location.

Pricing for Sourcewell Contract 050224-TKE offers participating agencies a 20% discount off posted national pricing.

The term of this Contract is One (1) Year, commencing on the effective date, with CITY reserving the option to extend the agreement for 1 additional terms of one year each.

Specify what services will be provided:
CONTRACTOR shall modernize the Development Services elevator system equipment, including the mechanical and electrical components, as more specifically set forth in Exhibit B Scope of Work.

Benefits of the modernization include:
- Increased durability and reliability
- Improved fire and life safety features
- Descreased waiting times
- Reduced energy consumption
- Reduced operational cost
- Reduced troubleshooting time

CONTRACTOR shall engineer the modernization package for the site's elevator system and services shall include surveying equipment, approval of layout (if applicable), order of materials, equipment fabrication, and installation. CONTRACTOR shall perform all electrical and life-safety services necessary to support and facilitate the modernization. These services are hereby excluded from Section 5 of the CONTRACTOR’s proposal (Exhibit B).

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 Contract project price. CONTRACTOR shall submit all bonds electronically through Surety2000. 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.

CITY OF PALMDALE: TK ELEVATOR CORPORATION

Salvador Mendez
City Manager
38300 Sierra Highway
CITY OF PALMDALE
Palmdale, CA 93550

Lee Torres
Apr 29, 2026, 1:53 PM PDT

ADDRESS FOR NOTICE:
Jose Felix
District General Manager
2850 N. California St, Ste. 120
Burbank, CA 91504

APPROVE AS TO FORM:

Alexandra Severino
City Attorney

ATTEST:
Rochelle Scott
City Clerk

Record of Signing

For City of Palmdale
Name Leonardo Torres
Title



Signed on Apr 29, 2026 1:53 PM PDT

Secured by Concord™
DocumentID: 0338DNOgvqdO5VhHkAKgSl
SigningID: 0338DNOVEb0iwTbMkOZNF0
UTC Signing time: 2026-04-29 20:53:47 UTC
IP Address: 206.171.111.149
Email: ltorres@cityofpalmdaleca.gov

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EXHIBIT A

Prevailing Wage Requirements

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.

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.

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.

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.

5. Pursuant to Labor Code Section 1771.4, the Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

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.

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.

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.

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.

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

38250 Sierra Hwy – City of Palmdale

Purchaser:	City of Palmdale	Project Location:	City of Palmdale
Address:	38250 Sierra Hwy Palmdale, CA 93550-4609	Address:	38250 Sierra Hwy Palmdale, CA 93550-4609

TK Elevator Corporation (hereinafter "TK Elevator") is dedicated to delivering (hereinafter “Purchaser”) the safest, highest quality vertical transportation solutions. I am pleased to present this customized Proposal (the “Proposal”) in the amount of **$145,167.20** inclusive of all applicable sales and use taxes to modernize the elevator equipment described in the pages that follow at the above-referenced location.

Our modernization package is engineered specifically for your elevator system and will include the elevator mechanical and electrical components being replaced, refurbished or retained.

Benefits of Modernization include:
- Increased durability and reliability
- Improved fire and life safety features
- Decreased waiting times
- Reduced energy consumption
- Reduced operational cost
- Reduced troubleshooting time

The price above includes that value added taxes, tariffs, duties, and/or similar charges that are in effect as of the date of this proposal. The price of this Proposal is subject to escalation - even after Purchaser’s acceptance of this Proposal - under certain circumstances including any new or increase in taxes, tariffs, or other charges imposed by applicable governmental authorities and/or TK Elevator being subjected to increased charges by its suppliers, shippers and/or freight forwarders as set forth in the terms and conditions in this Proposal.

Furthermore, all preparatory work by other trades must be completed and elevator equipment shipped by 01-14-2028 and the installation must be completed by 02-23-2028, otherwise, the price is also subject to increase.

If not accepted within twenty-one (21) calendar days of the date of this Proposal or the date presented to Purchaser, this Proposal shall automatically be revoked and shall be null and void.

In the event you have any questions regarding the content of this Proposal please contact me at +1 562 9660828

We appreciate your consideration.

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

SCOPE OF WORK

Building: 38250 Sierra Hwy - City of Palmdale
38250 Sierra Hwy

Groups Included

Group Name	# of units	Equipment Type
Group 1	1	Hydraulic

Group: Group 1
Equipment Classification: Hydraulic

Units Included

Nickname	State ID	Product	Landings	Speed	Capacity
Car 1		H-Power	2 / 0 / 0	125	3000

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

Description of Work

Controller

Item Description	Option	Installed On
TAC 32H Controller (Includes Options listed below) • 24 VDC Signal Voltage • Electronic Door Detector Interface	New	Car 1
eMax Monitoring Device Provisions	New	Group 1
Solid State Starters (6 or 12 leads) 208 VAC	New	Car 1
Viscosity Control (Required over 150 FPM)	New	Car 1
Battery Lowering in Controller (10-D-0C)	New	Car 1
Seismic Features	New	Car 1
THY Board / CE Driver Board	New	Car 1
Position Indicator	New	Car 1
MAX Link 2-Line ATA kit	New	Group 1
Car Riding Lantern	New	Car 1
Fire Service	New	Car 1
Hoistway Access	New	Car 1
User Interface Tool	New	Car 1
Hoistway Enable/Inspection Operation	New	Car 1

Jack

Item Description	Option	Installed On
Retain Jack	Retain	Car 1
Pipe Stands	New	Car 1

Hoistway Door Equipment

Item Description	Option	Installed On
Retain Hoistway Doors	Retain	Car 1
Interlock and Pick-up Assemblies. Includes closers (Front)	New	Car 1

Cab

Item Description	Option	Installed On
Retain Cab Interior	Retain	Car 1
Retain Cab Flooring	Retain	Car 1
Car Door (SSCO, #4 S/S (441))	New	Car 1

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

Power Unit

Item Description	Option	Installed On
EP-105 Power Unit (Submersible)	New	Car 1
Seismic Requirements for EP units	New	Car 1
Viscosity Control (Required over 150 FPM)	New	Car 1
5 gallon drum of Biodegradable oil (Citgo NZ)	New	Car 1
55 gallon drum of Biodegradable oil (Citgo NZ)	New	Car 1
2" Shutoff Valve Kit (Pump)	New	Car 1
Isolation Couplings	New	Car 1
Overspeed Valve Kit for 2" (less than 150 GPM)	New	Car 1

Pit Equipment

Item Description	Option	Installed On
2" Shutoff Valve Kit (Pit)	New	Car 1
Pit Stop Switch	New	Car 1

Hoistway Equipment

Item Description	Option	Installed On
Steel Tape with Mounting hardware, Selector and magnets (terminal limits included)	New	Car 1
TAC 32 Field Friendly Wiring Package Includes single traveling cable, hoistway wiring, interlock wiring, interlock connectors, and serial wiring.	New	Car 1
HN Boxes (per each 2 cars, grouped)	New	Car 1

Car

Item Description	Option	Installed On
Fan: Two Speed	New	Car 1
21" Toe guard	New	Car 1
Cab Wiring Material (200MK1)	New	Car 1
5 Pin Lock with electric contact for Car Top Exit	New	Car 1

Car Door Equipment

Item Description	Option	Installed On
Micro Light (Front)	New	Car 1
Front Door Operator (SSCO) Additional Lead Time	New	Car 1
LD-16 Plus Door Operator with Complete carside equipment (FRONT) • includes Adapter kit (Tracks & Hangars), Clutch (w/ Car Door Lock latch & contact), & Car Top Inspection station (w/ alarm signal and Flooded Pit Jewel)	New	Car 1

Modernization Proposal

Car Fixtures

Item Description	Option	Installed On
Main Car Station Includes Options Below	New	Car 1
• Applied Panel	New	Car 1
Vandal Resistant Floor Buttons	New	Car 1
Cast Braille Plates for Car Features	New	Car 1
Standard Key Switch Package • Fan • Light • Independent • Stop • Inspection/Hoistway Enable)	New	Car 1
Emergency Light mounted in COP	New	Car 1
2004 and later Fire Service Phase II Features (includes instructions signage)	New	Car 1
Handicap Signal (Passing signal)	New	Car 1
Position Indicator (2" CE Segmented)	New	Car 1
ADA Phone System integral with COP (Rath)	New	Car 1
Speaker Pattern for Intercom System/ADA Phone	New	Car 1
No Smoking (Verbiage Engraved on COP)	New	Car 1
Locked Service Cabinet	New	Car 1
Certificate Window	New	Car 1
GFI Outlet	New	Car 1
#4 Stainless Steel Finish (441)	New	Car 1
Car Riding Lantern (Standard) #4 S/S (441)	New	Car 1

Hall Fixtures

Item Description	Option	Installed On
Terminal Hall Stations (Flush Mounted) with • Appendix O (Polycarbonate insert flame) • (#4 S/S (441))	New	Group 1
Fire Service Phase I Key Switch and Signage (Engraved)	New	Group 1
Hoistway Jamb Braille (Pair of Standard) (# of Floors)	New	Car 1
Serial Boards for Hoistway Access	New	Car 1
Serial Boards for Front Risers	New	Group 1
TAC Serial Boards, Base Charge	New	Group 1
Car Identification Plate (Pair)	New	Car 1
Jamb Mount Hoistway Access Station #4 S/S (441)	New	Car 1

Clarifications to Architectural Plans and Specifications:

1. None at this time

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

01 Key Tasks and Approximate Lead Times

Approximate Durations/Lead Times	
Contract execution (can run concurrently with layout drawing package preparation and approval)	TBD by Purchaser
Survey and Order of Materials (additional time required for cab, signal, entrance preparation and approval, if applicable)	2 - 6 Weeks
Fabrication time (from receipt of all approvals, fully executed contract, Material Release Form* and initial progress payment)	18 Weeks
Shipping: (Tennessee to local distribution center)	2 Weeks
Modernization of elevator system (Per Unit): (Upon completion of all required preparatory work by others and the signed pre-installation checklist)	5 - 7 Weeks

*If equipment is delivered to TKE's staging facility in accordance with the date shown on the TKE Material Release Form, and the preparatory work required by other trades is not completed, all storage charges as a result of site delays are to be paid by the Purchaser based on the storage rates noted below in this proposal.

The durations or lead times listed above are strictly approximations that can vary due to factors both within and outside of TK Elevator's control, are subject to change without notice to Purchaser and shall not be binding on TK Elevator.

02 Payment of Work

55% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) will be due and payable as an initial progress payment within 30 days from TK Elevator's receipt of a fully executed copy of this Proposal. This initial progress payment will be applied to project management, permits, engineering and shop drawings, submittals, drilling mobilizations (if required) and raw material procurement. Material will be ordered once this payment is received and the parties have both executed this Proposal and the Material Release Form.

20% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) shall be due and payable when the material described above has been furnished. Material is considered furnished when it has been received at the jobsite or TK Elevator staging facility. Supporting documentation of materials stored shall be limited to stored materials certificates of insurance and bills of lading. Pictures will not be provided. Receipt of this payment is required prior to mobilization of labor.

25% of the price set forth in this Proposal shall be made as progress payments throughout the life of the project. In the event TK Elevator fails to receive payment within thirty (30) days of the date of a corresponding invoice, TK Elevator reserves the right to demobilize until such a time that the payments have been brought up to date, and TK Elevator has the available manpower.

It is agreed that there will be no withholding of retainage from any billing and by the customer from any payment.

The payment terms breakdown above shall be considered the Schedule of Values for the project as written. Billing shall be submitted on or before the 25th day of the month according to the payment schedule above and accompanied by a form of G702-703 pay application/schedule of values and a conditional waiver, the format of which is hereby acknowledged and accepted.

The use of online Portals for the submission of billing shall follow the terms of the Proposal and Purchaser agrees to permit billing in accordance with the executed contract terms. Portal access and usage is to be provided free of

additional charge to TK Elevator and any additional cost for such use is to be reimbursed to TK Elevator via a reimbursable change order immediately upon acceptance.

Purchaser agrees that TK Elevator shall have no obligation to complete any steps necessary to provide Purchaser with full use and operation of the installed equipment until such time as TK Elevator has been paid 100% both of the price reflected in this Proposal and for any other work performed by TK Elevator or its subcontractors in furtherance of this Proposal. Purchaser agrees to waive any and all claims to the turnover and/or use of that equipment until such time as those amounts are paid in full.

Proposal price:		$145,167.20
Bonds:		$2,500.00
Estimated contract price:		$147,667.20
Initial progress payment:	(55%)	$81,216.97
Material furnished:	(20%)	$29,533.44
Total of remaining progress payments:	(25%)	$36,916.81

Purchaser may elect to finance all or a portion of the purchase price for the work described in this Agreement through TK Elevator's financing partner ("Financing Partner"), subject to the Financing Partner's approval and the terms of a separate financing agreement ("Financing Agreement") between Purchaser and Financing Partner. Purchaser acknowledges and agrees that [(i) Financing Partner is in no way affiliated with TK Elevator, (ii) Financing Partner will make any decision to offer financing to Purchaser independently and in accordance with its internal lending policies, (iii) TK Elevator cannot guaranty that Financing Partner will agree to provide financing to Purchaser on acceptable terms or at all, (iv) TK Elevator may be compensated by the Financing Partner in the event Purchaser enters into a Financing Agreement, and TK Elevator will not be a party to the Financing Agreement and shall have no responsibility for, and hereby expressly disclaims any liability arising out of or relating to, any decision on the part of Financing Partner to provide or decline to provide financing to Purchaser, and the negotiation, execution, performance, enforcement, or termination of any Financing Agreement. Purchaser acknowledges and agrees that Purchaser shall remain unconditionally and irrevocably liable to TK Elevator for any unpaid balance owing hereunder and TK Elevator's acceptance of the Financing Partner as a payment source shall not constitute a novation, satisfaction, waiver, or release of Purchaser's payment obligations under this Agreement.

Notwithstanding the foregoing, in the event Purchaser enters into a Financing Agreement with the Financing Partner and the Financing Partner fails or refuses to disburse any portion of the purchase price to TK Elevator for any reason, including without limitation default by either party under the Financing Agreement, bankruptcy or insolvency of either party, or termination of the Financing Agreement for any reason any unpaid purchase price then owing by Purchaser which shall be payable immediately by Purchaser upon demand by TK Elevator in accordance with this Agreement. Purchaser hereby waives any right of setoff, counterclaim, defense, or deduction against TK Elevator based on any act or omission of the Financing Partner. Purchaser further agrees that any assignment by TK Elevator to the Financing Partner of the right to receive payment hereunder shall not impair TK Elevator's rights or remedies in the event of nonpayment. The obligations of Purchaser under this paragraph shall survive any termination, cancellation, or expiration of this Agreement.

Any work that Purchaser may require prior to turnover of the equipment that is outside of the scope described in this Proposal - other than Temporary Use as described below - will be performed only after the full execution of a mutually agreeable change order and only at the following rates:

Mechanic (Standard) per hour	$345.00
Mechanic (OT) per hour	$616.00
Team (Standard) per hour	$621.00
Team (OT) per hour	$1,109.00

Rates are not inclusive of any per diem, mileage or other expenses which may be dependent on jobsite location and are valid until 02-23-2028 .

03 Warranty

TK Elevator warrants any equipment it installs as described in this Proposal against defects in material and workmanship for a period of one (1) year from the date of Purchaser's execution of TK Elevator's "Final Acceptance Form" on the express conditions that all payments made under this Proposal and any mutually agreed-to change orders have been made in full and that such equipment is currently being serviced by TK Elevator. In the event that TK Elevator's work is delayed for a period greater than six (6) months, the warranty shall be reduced by the amount of the delay. This warranty is in lieu of any other warranty or liability for defects. TK Elevator makes no warranty of merchantability and no warranties which extend beyond the description in this Proposal, nor are there any other warranties, expressed or implied, by operation of law or otherwise. Like any piece of fine machinery, the equipment described in this Proposal should be periodically inspected, lubricated, and adjusted by competent personnel. This warranty is not intended to supplant normal maintenance service and shall not be construed to mean that TK Elevator will provide free service for periodic examination, lubrication, or adjustment, nor will TK Elevator correct, without a charge, breakage, maladjustments, or other trouble arising from normal wear and tear or abuse, misuse, improper or inadequate maintenance, or any other causes other than defective material or workmanship. In order to make a warranty claim, Purchaser must give TK Elevator prompt written notice at the address listed on the cover page of this Proposal and provided all payments due under the terms of this Proposal and any mutually agreed to written change orders have been made in full, TK Elevator shall, at its own expense, correct any proven defect by repair or replacement. TK Elevator will not, under any circumstances, reimburse Purchaser for cost of work done by others, nor shall TK Elevator be responsible for the performance of any equipment that has been the subject of service, repair, replacement, revisions or alterations by others. The Purchaser agrees to provide us access to the elevator equipment at any reasonable time for the purpose of making good this warranty. Purchaser and/or Owner agree to maintain the confidentiality of the TK Elevator's software that is licensed for the Owner's use. The software will not be copied, modified, distributed, or reverse engineered. The software is licensed to the Purchaser and/or Owner exclusively for the location of installation, and the license will not transfer except as part of a transfer, assumption, or succession of ownership. If there is more than one (1) unit which is the subject of work described in this Proposal, this section shall apply separately to each unit as accepted.

04 Preventative Maintenance Program

This Proposal does not include any maintenance, service, repair or replacement of the equipment or any other work not expressly described herein. TK Elevator may submit a separate proposal to Purchaser covering the maintenance and repair of this equipment to be supplied to Purchaser at an additional cost. In the event the Purchaser and TK Elevator have a new or existing maintenance Agreement in effect at the time of the acceptance of this proposal and/or during the scope of this work, the terms of the Agreement shall remain in full force and effect throughout the performance of this scope of work and continue throughout the duration of the stated term in that Agreement.

a. Following the execution of TK Elevator's "Final Acceptance" form(s), TK Elevator will provide the following services during normal working hours for the units described below:

e. Following the execution of TK Elevator's "Final Acceptance" form(s), TK Elevator will also provide Multi-Media Monitoring Services ("MMM") for the units described below. MMM includes 7 days per week, 24 hours per day dispatching service provided by TK Elevator's TK Elevator Communications call center for calls placed by Purchaser, or if the units have been turned over for beneficial use or ownership to an end user then to that end user (the "Owner"), to the local TK Elevator branch office and emergency telephone and multimedia monitoring on all units covered by this Proposal that have fully operational telephone and in-cab video and text equipment capable of placing a call to or initiating multimedia contact with that call center. Depending on the nature of the call and/or multimedia contact and circumstances, TK Elevator's operators can call one or more of the following: Purchaser's or Owner's (as applicable) designated contacts at phone numbers provided by the applicable Purchaser or Owner (the "Designated Contacts") to TK Elevator in writing and/or a local TK Elevator service technician to be dispatched to the location of the affected unit. Please note that calls cannot be placed to "9-1-1" as the centralized TK Elevator Communications call center does not have dialing access to local "9-1-1" numbers.

05 Work Not Included

There are certain items that are not included in this Proposal, many of which must be completed by Purchaser prior to and as a condition precedent to TK Elevator's performance of its work as described in this Proposal. In order to ensure a successful completion of this project, it shall be solely Purchaser's responsibility to coordinate its own completion of those items with TK Elevator. The following is a list of those items that are not included in this Proposal:

A. Hoistways and Equipment Rooms

- Purchaser shall provide the following
  - A dry legal hoistway, properly framed and enclosed, and including a pit of proper depth and overhead. This is to include steel hoist beam, inspection or access platforms, access doors, sump pump, lights, waterproofing and venting as required; dewatering of pit(s) and required permanent screening.
  - A dry legal machine/control room, with clear rollable access adequate for the elevator equipment, including floors, trap doors, properly sized legal machine room doors, gratings, machine room or roof access platforms, roof/ loading protection, ladders, railings, foundations, all hoist beams, lighting, ventilation sized per the TK Elevator shop drawings and/or code requirements. Purchaser must maintain machine/control room (or machine/control space within the shaft for MRL equipment) temperature between 55 and 90 degrees Fahrenheit, with relative humidity less than 95% non-condensing at all times.
  - Adequate bracing of entrance frames to prevent distortion during wall construction.
  - All grouting, fire caulking, cutting, x-ray and removal of walls and floors, patching, coring, setting of sleeves/ knockouts, penetrations and painting (except as specified) and removal of obstructions required for elevator work; along with all proper trenching and backfilling for any underground piping and/or conduit.
  - All labor and materials necessary to support the full width of the hoistway at each landing for anchoring or welding TK Elevator sill supports, steel angles, sill recesses;
  - The furnishing, installing and maintaining of the required fire rating of elevator hoistway walls, including the penetration of firewall by elevator fixture boxes;
  - Ensuring that the elevator hoistways and pits are dewatered, cleaned and properly waterproofed;
  - TK Elevator is not responsible for verifying field dimensions or related work by others. Purchaser must verify all dimensions on the submittal drawings prior to equipment fabrication.

B. Electrical and Life Safety:

- Purchaser shall provide a 120V, 1P, 60C power supply in the locations as directed by TK Elevator for the cellular equipment being furnished and installed by TK Elevator for the communication devices within the elevator cab;
- Purchaser shall provide:
  - permanent 3-phase power with suitable connections from the power main to each controller and signal equipment feeders as required, including necessary circuit breakers and fused mainline disconnect switches per N.E.C. prior to installation. Permanent 3-phase power supply capable of operating the new elevator equipment under all conditions, no generator power, or manufactured power, will be acceptable;
  - piping and wiring to controller for mainline power, car lighting, and any other building systems that interface with the elevator controls per N.E.C. Articles 620-22 and 620-51;
  - any required hoistway / wellway, machine room, pit lighting and/or 110v GFCI service outlets;
  - conduit and wiring for remote panels to the Unit machine room(s) and between panels. Remote panels required by local jurisdictions are not included in this proposal;
  - a bonded ground wire, properly sized, from the Unit controller(s) to the primary building ground; and all remote wiring to the outside alarm bell as requested by all applicable code provisions;
  - installed sprinklers, smoke/heat detectors on each floor, machine room and hoistways / wellways, shunt trip devices (not self-resetting) and access panels as may be required as well as normally open dry contacts for smoke/ heat sensors, which shall be terminated by Purchaser at a properly marked terminal in the Unit controller;
  - a means to automatically disconnect the main line and the emergency power supply to the unit prior to the application of water in the Unit machine room that shall not be self-resetting;
  - emergency power supply including automatic time delay transfer switch and auxiliary contacts with wiring to the designated Unit controller and along with electrical cross connections between elevator machine rooms for emergency power purposes;
  - the following emergency power provisions are not included: interface in controller, pre-testing and testing, emergency power keyswitches;

- emergency power operation is included as part of the design of the Unit control system and based on each car in the group only, to properly sequence, one at a time to the programmed landing, and park. The design requires that the generator, transfer switch, and related circuitry are sufficient to run this function or any other function for any building other system that is associated with this project. In the event that the generator, transfer switch, and related circuitry are not sufficient, TK Elevator will provide Purchaser with a written change order for Purchaser's execution.
- a dry set of contacts which close 20 seconds prior to the transfer from normal power to emergency power or from emergency power to normal power whether in test mode or normal operating conditions in the event that an emergency power supply will be provided for the Unit;
- confirmation that the emergency standby power generator and/or building can accept the power generated to and from the Unit during both Hi-Speed and Deceleration. In cases where the generator and/or building load is not electrically sized to handle the power return from the regen drive, additional separate chopper and resistor units are available for purchase but not included in this proposal. The additional chopper and resistor units allow regenerated power to be dissipated in the resistor bank and not sent back into the building grid.

C. Miscellaneous:

- Purchaser shall provide all work relating to the finished flooring including, but not limited to, the provision of materials and its installation to comply with all applicable codes;
- Hydraulic jack replacement:
  - the excavation of the elevator cylinder well hole in the event drilling is necessary through soil that is not free from rock, sand, water, building construction members and obstructions. Should obstructions be encountered, TK Elevator will proceed only after written authorization has been received from the Purchaser. The contract price shall be increased by the amount of additional labor at TK Elevator's standard labor rates as per the local office along with any additional expenses and materials required;
  - adequate ingress and egress, including ramping, for rail-mounted or truck-mounted drill rig;
  - Purchaser is responsible for pumping truck contractor to remove and dispose of spoils from the site. In the event that unforeseen and unfavorable below ground conditions are encountered, including but not limited to concrete around the cylinder, construction debris, adverse water and/or soil conditions, erosion, cavitations, oil contamination, or circumstances necessitating increased hole depth, etc., which require the employment of specialized contractors, TK Elevator shall immediately advise the Purchaser and costs will be extra to the contract;
  - in ground protection systems other than TK Elevator's standard HDPE or PVC protection system with bottomless corrugated steel casing;
  - any required trenching and backfilling for underground piping or casings, and conduit as well as any compaction, grouting, and waterproofing of block-out;
  - engineering, provision and installation of methane barriers or coordination/access;
  - access to 2" pressurized water supply within 100'-0" of the jack hole location;
  - a safe, accessible storage area for placement of D.O.T. 55 gallon containers for the purpose of spoils containment; obtaining of local environmental or disposal permits
  - any spoils or water testing;

06 Working Hours, Logistics and Mobilization

- All work described in this Proposal shall be performed during TK Elevator's regular working days – defined as Monday thru Friday and excluding IUEC recognized holidays – and regular working hours – defined as those hours regularly worked by TK Elevator mechanics at the TK Elevator branch office that will provide labor associated with the performance of the work described in this Proposal - unless otherwise specified and agreed to in writing by both TK Elevator and Purchaser (hereinafter TK Elevator's regular working days and regular working hours shall be collectively defined as "normal working hours"). TK Elevator shall be provided with uninterrupted access to the Unit hoistway and machine room areas to perform work during normal working hours.
- Purchaser shall provide on-site parking to all TK Elevator personnel at no additional cost to TK Elevator.
- Purchaser shall provide traffic control, lane closures, permits and flagmen to allow suitable access/unload of tractor trailer(s).
- Purchaser agrees to provide unobstructed tractor-trailer access and roll-able access from the unloading area to the Unit hoistways or wellways (as applicable).
- Purchaser will be required to sign off on the Material Release Form, which will indicate the requested delivery date of equipment to the site. If Purchaser is not ready to accept delivery of the equipment within ten (10) business days of the agreed upon date, Purchaser will immediately make payments due for equipment and designate an area

adjacent to the elevator shaft where Purchaser will accept delivery. If Purchaser fails to provide this location or a mutually agreeable alternative, TK Elevator is authorized to warehouse the equipment at the TK Elevator warehouse or designated distribution facility at Purchaser's risk and expense. Purchaser shall reimburse TK Elevator for all costs due to extra handling and warehousing. Storage beyond ten (10) business days will be assessed at a rate of $125.00 per calendar day for each unit listed in this Proposal, which covers storage and insurance of the elevator equipment and is payable every (30) calendar days.

- Purchaser agrees to provide a dry and secure area adjacent to the hoistway(s) at the ground level for storage of the Unit equipment and tools within ten (10) business days from receipt at the local TK Elevator warehouse. Any warranties provided by TK Elevator for vertical transportation equipment will become null and void if equipment is stored in any manner other than a dry, climate controlled enclosed building structure. Any relocation of the equipment as directed by Purchaser after initial delivery will be at Purchaser's expense.
- You agree that if you are not ready to permit us to begin the installation of the equipment when we notify you when all or part of it is ready for shipment, you will immediately pay us a sum equal to the amount which would be payable to us if the elevator equipment or such part of it had actually been shipped and delivered. Unless you promptly provide to us a secure and convenient storage area, we are authorized to warehouse the elevator(s) at your risk and in any event, you shall reimburse us for all costs due to extra handling and warehousing.
- TK Elevator includes one mobilization to the jobsite. A mobilization fee of $5,000.00 (minimum) per crew per occurrence will be charged for pulling off the job or for any delays caused by others once material has been delivered and TK Elevator's work has commenced.
- Access for this project shall be free and clear of any obstructions. A forklift for unloading and staging material shall also be provided by Purchaser at no additional cost.
- Purchaser shall provide an on-site dumpster. TK Elevator will be responsible for cleanup of Unit packaging material; however, composite cleanup participation is not included in this Proposal.
- The hiring of a disposal company which MUST be discussed prior to any material being ordered or work being scheduled. TK Elevator will provide environmental services ONLY if this is specifically included under the "Scope of Work" section above. TK Elevator assumes no responsibility and/or liability in any way whatsoever for spoils or other contamination that may be present as a result of the cylinder breach and/or other conditions present on the work site.
- One or more of the units described in this Proposal will be out of service and unavailable to move passengers and/or property during entire duration of the performance of the work described in this Proposal until re-certified by the applicable authority(ies) having jurisdiction and in good standing with payment schedules.
- If site specific rules and regulations classify the elevator pit as confined space, elevator pits will need to reclassify a permit-required space to a non-permit required space prior to mobilization.

07 Temporary Use, Inspection and Turnover

- Unless required by specification, TK Elevator will not provide for “temporary use” of the Unit(s) described in this Proposal prior to completion and acceptance of the complete installation. Temporary use shall be agreed to via a change order to this Proposal which shall require Purchaser’s execution of TK Elevator's standard Temporary Use Agreement. All labor, parts, repairs, adjustments, and/or refurbishment including callbacks required during the temporary use period will be billed at TK Elevator's billing rates listed in this proposal or TK Elevator's local service billing rates.
  - Cost for temporary use of a Unit shall be $200.00 per calendar day per hydraulic elevator for rental use only (minimum rental period is 30 calendar days), excluding personnel to operate.
- In the event that a Unit must be provided for temporary use, TK Elevator will require 30 days to perform final adjustments and re-inspection after the elevator has been returned to TK Elevator with all protection, intercoms and temporary signage removed. This duration does not include any provisions for finish work or for repairs of same, which shall be addressed on a project-by-project basis.
  - Cost for preparation of controls for temporary use, refurbishment due to normal wear and tear, readjustment and re-inspection is $5,000.00 per Unit in addition to costs for replacement or refurbishment of equipment based on special circumstances.
- These costs are based on work performed during normal working hours. Temporary use excludes vandalism or misuse. Any required signage, communication devices, elevator operators, and protection are not included while temporary use is being provided. All overtime premiums for repairs during the temporary use period will be billed at the billing rates listed in this proposal or TK Elevator's local service billing rates.
- The Proposal price set forth above includes one (1) inspection per Unit by the applicable authority having jurisdiction and/or third party inspectors where the equipment is located. In the event the equipment fails that inspection due to no fault of TK Elevator, TK Elevator will charge Purchaser for both the entire cost of each re-inspection which shall

be $1,500.00 per Unit and a remobilization fee which shall be $5,000.00 per Unit, plus any additional costs that may apply, via change order prior to scheduling a re-inspection. In the event the inspection fails due to items caused by both parties, the aforementioned fees will be prorated based on the number of items by each party.

- Upon notice from TK Elevator that the installation and/or modernization of the equipment is complete, Purchaser will arrange to have present at the jobsite a person authorized to make the final inspection and to execute TK Elevator's “Final Acceptance Form“ prior to turnover of each Unit. The date and time that such person will be present at the site shall be mutually agreed upon but shall not be more than ten (10) business days after the date of TK Elevator's notice of completion to Purchaser unless both TK Elevator and Purchaser agree to an extension of that ten (10) day period in writing. Such final inspection and execution of TK Elevator's “Final Acceptance Form” shall not be unreasonably delayed or withheld.
- Should the Purchaser or the local authority having jurisdiction require TK Elevator's presence at the inspection of equipment installed by others in conjunction with the work described in this Proposal, Purchaser agrees to compensate TK Elevator for its time at TK Elevator's billing rates as shown in this proposal.
- At the conclusion of its work, TK Elevator will remove all equipment and unused or removed materials from the project site and leave its work area in a condition that, in TK Elevator's sole opinion, is neat and clean.
- Purchaser agrees to accept a live demonstration of equipment’s owner-controlled features on the same day as the turnover of each unit in lieu of any maintenance training required in the bid specifications.
- Purchaser agrees to accept TK Elevator's standard owner’s manual in lieu of any maintenance, or any other, manual(s) required in the bid specifications. Any additional electronic copies or hard copies required will be subject to an additional charge of $275.00. No program source coding, printed circuit board schematics, diagnostic hardware or codes will be provided.
- Should use of equipment be required prior to substantial completion, the Purchaser agrees to the signing of an interim maintenance agreement as outlined in Section 04. Any repairs, re-balancing, and cleaning as a result of interim use to restore equipment to as new condition will be extra to the Proposal.

08 MAX

MAX is a cloud based Internet of Things (IoT) platform that we, at our election, may connect to your elevators by means of installation of a remote-monitoring device or modem (each a “device”). MAX will analyze the unique signal output of your equipment 24/7 and when existing or potential outages are identified, MAX will automatically communicate with our dispatch centers. When appropriate, the dispatch center will alert our technicians during normal working hours. These MAX alerts provide the technician with precise diagnostics detail, which greatly enhances our ability to fix your equipment right the first time, MAXimizing the equipment uptime.

a. Purchaser authorizes TK Elevator and its employees to access purchaser’s premises to install, maintain and/or repair the devices and, upon termination of the service agreement, to remove the same from the premises if we elect to remove.
b. TK Elevator is and shall remain the sole owner of the devices and the data communicated to us by the devices. The devices shall not become fixtures and are intended to reside where they are installed. TK Elevator may remove the devices and cease all data collection and analysis at any time.
c. If the service agreement between TK Elevator and Purchaser is terminated for any reason, TK Elevator will automatically deactivate the data collection, terminate the device software and all raw data previously received from the device will be removed and/or expunged or destroyed.
d. Purchaser consents to the installation of the devices in your elevators and to the collection, maintenance, use, expungement and destruction of the daily elevator data as set forth in this agreement.
e. The devices installed by TK Elevator contain trade secrets belonging to us and are installed for the use and benefit of our personnel only.
f. Purchaser agrees not to permit purchaser personnel or any third parties to use, access, tamper with, relocate, copy, disclose, alter, destroy, disassemble or reverse engineer the device while it is located on purchaser’s premises.
g. The installation of this equipment shall not confer any rights or operate as an assignment or license to you of any patents, copyrights or trade secrets with respect to the equipment and/or any software contained or imbedded therein or utilized in connection with the collection, monitoring and/or analysis of data.

MAX Link

"MAX Link" is a service by which TK Elevator will provide eligible Units, through a MAX Device, a cellular connection as outlined in the attached Service Agreement Exhibit entitled "TK Elevator Communications." The cost of MAX Link

hardware is included in the price of this Proposal. Activation and service is contingent on Owner's signed acceptance of an ongoing Service Agreement which includes the pricing and scope for the ongoing application services.

Multimedia Monitoring Service

The latest versions of both ASME A17.1 and the International Building Code now require the Purchaser to have video and text messaging capabilities added within the elevator cab for all elevators. TK Elevator's Multimedia Monitoring Service satisfies the Purchaser’s obligation to meet these new code requirements as outlined in the attached Service Agreement Exhibit entitled "TK Elevator Communications."

The cost of Multimedia Monitoring service is not included in the price of this Proposal. Continued service is contingent on Owner's signed acceptance of an ongoing Service Agreement which includes the pricing and scope for the ongoing application services.

09 Additional Terms and Conditions

a. In no event shall TK Elevator be responsible for liquidated, consequential, indirect, incidental, exemplary, and special damages associated with the work described in this Proposal.
b. This Proposal is made without regard to compliance with any special purchasing, manufacturing or construction/installation requirements including, but not limited to, any socio-economic programs, such as small business programs, minority or woman owned business enterprise programs, or local preferences, any restrictive sourcing programs, such as Buy American Act, or any other similar local, state or federal procurement regulations or laws that would affect the cost of performance. Should any such requirements be applicable to the work described in this Proposal, TK Elevator reserves the right to modify this Proposal or rescind it altogether.
c. TK Elevator is an equal opportunity employer.
d. TK Elevator's performance of the work described in this Proposal is contingent upon Purchaser furnishing TK Elevator with any and all necessary permission or priority required under the terms and conditions of government regulations affecting the acceptance of this Proposal or the manufacture, delivery or installation of the equipment. All applicable sales and use taxes, permit fees and licenses imposed upon TK Elevator as of the date of the Proposal are included in the price of the Proposal. Purchaser is responsible for any additional applicable sales and use taxes, permit fees and licenses imposed upon TK Elevator after the date of the Proposal or as a result of any law enacted after the date of the Proposal.
e. The price of this Proposal includes value added taxes, tariffs, duties, and/or similar charges that are in effect as of the date of this Proposal. Purchaser is responsible to pay TK Elevator any and all additional amounts for the materials and/or components described in this Proposal above and beyond the pricing set forth in this Proposal for the reasons set forth in any of the following three (3) categories along with profit and overhead: (1) value added taxes, tariffs, duties, and/or other charges imposed by applicable governmental authorities that are in effect when such materials and/or components are ready to ship; (2) additional or increased charges to TK Elevator from any of the material and/or component suppliers after the date of this Proposal; and/or (3) additional or increased charges to TK Elevator from its shippers and/or freight forwarders of such materials and/or components after the date of this Proposal. When the materials and/or components called for in this Proposal are ready to ship, if required TK Elevator will provide Purchaser with a change order(s) covering all additional amounts mentioned in the preceding sentence which must be executed and fully paid for prior to and as a condition precedent to delivery of those materials and/or components to the jobsite or to the provision of any labor on the project.
f. Purchaser agrees to provide TK Elevator's personnel with a safe place in which to work and TK Elevator reserves the right to discontinue work at the jobsite whenever, in TK Elevator's sole opinion, this provision is being violated.
g. The pricing set forth in this Proposal assumes that the elevator pits will not be classified as a confined space. TK Elevator will follow its standard safety policy and procedures. Any job specific safety requirements over and above TK Elevator's standard practices and policies may require additional costs.
h. TK Elevator will furnish and install all equipment in accordance with the terms, conditions, scope and equipment nomenclature as noted herein. Requested changes or modifications to such provisions will require a written change order issued on the Purchaser’s letterhead and accepted by TK Elevator in writing prior to the execution of such work. This change order shall detail the current Proposal price, the amount of the change, and new Proposal value.

i. This Proposal does not include a schedule for the work described and any such schedule shall be mutually agreed upon by an authorized representative of both TK Elevator and Purchaser in writing before becoming effective.
j. In the event asbestos material is knowingly or unknowingly removed or disturbed in any manner at the jobsite, Purchaser shall monitor TK Elevator's work place and prior to and during TK Elevator's manning of the job, Purchaser shall certify that asbestos in the environment does not exceed .01 fibers per cc as tested by NIOSH 7400. In the event TK Elevator's employees or those of TK Elevator's subcontractors are exposed to an asbestos hazard, PCP's, lead or other hazardous substances, Purchaser agrees, to the fullest extent permitted by law, to indemnify, defend, and hold TK Elevator harmless from all damages, claims, suits, expenses, and payments resulting from such exposure. Identification, notification, removal and disposal of asbestos containing material, PCP's lead or other hazardous substances are the responsibility of the Purchaser.
k. TK Elevator retains title to and a security interest in all equipment it supplies – which TK Elevator and Purchaser agree can be removed without material injury to the real property – until all payments including deferred payments and any extensions thereof, are made. In the event of any default by Purchaser on any payment, or any other provision of this Proposal, TK Elevator may take immediate possession of the equipment and enter upon the premises where it is located – without legal process – and remove such equipment or portions thereof, irrespective of the matter of its attachment to the real estate or the sale, mortgage or lease of the real estate. Pursuant to the Uniform Commercial Code, and at TK Elevator's request, Purchaser agrees to execute any financial or continuation statements which may be necessary for TK Elevator to file in public offices in order to perfect TK Elevator's security interest in such equipment.
l. TK Elevator reserves the right to assign payments owed to TK Elevator under this Proposal.
m. TK Elevator shall not be liable for any loss, damage or delay caused by acts of government, labor troubles, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief, acts of God or any cause beyond its control.
n. The rights of TK Elevator under this Proposal shall be cumulative and the failure on the part of the TK Elevator to exercise any rights hereunder shall not operate to forfeit or waive any of said rights. Any extension, indulgence or change by TK Elevator in the method, mode or manner or payment or any of its other rights shall not be construed as a waiver of any of its rights under this Proposal.
o. In the event TK Elevator engages a third party to enforce the terms of this Proposal, and/or to collect payment due hereunder, either with or without suit, Purchaser agrees to pay all costs thereof together with reasonable attorney's fees. Purchaser does hereby waive trial by jury and does hereby consent to the venue of any proceeding or lawsuit under this Proposal to be in the county where the work covered by this Proposal is located.
p. TK Elevator can furnish Certificate of Workers' Compensation, Bodily Injury and Property Damage Liability Insurance coverage to Purchaser upon written request.
q. Should loss of or damage to TK Elevator's material, tools or work occur at the project site, Purchaser shall compensate TK Elevator for such loss, unless such loss or damage results from TK Elevator's own acts or omissions.
r. Purchaser, in consideration of TK Elevator performing the services set forth in this Proposal, to the fullest extent permitted by law expressly agrees to indemnify, defend, save harmless, discharge, release and forever acquit TK Elevator Corporation, TK Elevator Manufacturing, Inc., their respective employees, officers, agents, insurers, affiliates, and subsidiaries (hereinafter singularly a "TK Elevator party" and collectively the "TK Elevator parties") from and against any and all claims, demands, suits, and proceedings for loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death that are alleged to either have arisen out of or be connected with the sale, marketing, presence, use, misuse, maintenance, installation, removal, modernization, manufacture, design, operation or condition of the equipment that is the subject matter of this Proposal or the labor and materials furnished in connection with this Proposal. Purchaser's duty to indemnify a TK Elevator party does not apply to the extent that the loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death is determined to be caused by or resulting from the negligence of that TK Elevator party. Purchaser recognizes that its obligation to defend the TK Elevator parties under this clause, which is separate and apart from its duty to indemnify the TK Elevator parties, includes payment of all attorneys' fees, court costs, judgments, settlements, interest and any other expenses of litigation arising out of such claims, demands, suits or proceedings.
s. Purchaser further expressly agrees to name TK Elevator parties along with their respective officers, agents, affiliates and subsidiaries as additional insureds in Purchaser's liability and any excess (umbrella) liability insurance policy(ies). Such insurance must insure TK Elevator parties for those claims and/or losses referenced in the above paragraph and those claims and/or or losses arising from the negligence of TK Elevator parties. Such insurance must specify that its coverage is primary and non-contributory. Purchaser hereby waives its right of subrogation.
t. TK Elevator's participation in any controlled insurance program is expressly conditioned upon review and approval of all controlled insurance program information and documentation prior to enrollment. Any insurance credits if applicable, will be provided at that time.

u. Unless so mutually agreed upon in a separate signed agreement, TK Elevator shall not be required to interact or correspond with any third party with whom Subcontractor is not in privity of contract concerning matters pertinent to this Agreement.
v. The Purchaser must inform TK Elevator if Purchaser is, or becomes, an individual or entity that is - or that is majority owned or controlled by a party that is - included on any list of restricted parties maintained by (i) the United States of America; (ii) Canada; (iii) the European Union or any EU member state; (iv) the UK; (v) the United Nations; or (vi) any other national authority binding the parties of this contract.
In case the Purchaser, or any other beneficiary of this transaction, e.g. the end-user, is or becomes an individual or entity that is - or that is majority owned or controlled by a party that is - included on any list of restricted parties, TK Elevator reserves the right to cancel this Proposal immediately.
If the goods subject to this Proposal would be exported, re-exported, resold, used, transferred or otherwise disposed of in violation of any sanctions applicable to TK Elevator, TK Elevator also reserves the right to cancel this Proposal immediately. In this respect, the Purchaser shall be obliged to disclose the final delivery address, end-user and end-use of the goods upon request - insofar as legally permissible - and to notify TK Elevator of all circumstances that indicate an aforementioned infringement.
"Sanctions" means here any economic, trade or financial sanctions, laws, regulations, embargoes or restrictive measures imposed, enacted, administered or enforced by any Sanctions Authority. "Sanctions Authority" means (i) the United States of America; (ii) Canada; (iii) the European Union or any EU member state; (iv) the UK; (v) the UN Security Council; or(vi) any governmental institutions of any of the foregoing which administer Sanctions, including HM Treasury, OFAC, Global Affairs Canada and The Department of Treasury Board and Finance, the US State Department and the US Department of the Treasury.

EXHIBIT B
SCOPE OF WORK

Modernization Proposal

Acceptance

Purchaser's acceptance of this Proposal and its approval by an authorized manager of TK Elevator will constitute exclusively and entirely the agreement between the parties for the goods and services herein described and full payment of the sum of One Hundred Forty-Five Thousand One Hundred Sixty Seven Dollars and Twenty Cents ($145,167.20) inclusive of all applicable sales and use taxes.

All other prior representations or regarding this work, whether written or verbal, will be deemed to be merged herein and no other changes in or additions to this Proposal will be recognized unless made in writing and properly executed by both parties as a change order. Should Purchaser's acceptance be in the form of a purchase order or other similar document, the provisions of this Proposal will exclusively govern the relationship of the parties with respect to this transaction. No agent or employee shall have the authority to waive or modify any of the terms of this Proposal without the prior written approval of an authorized TK Elevator manager.

(Purchaser):	TK Elevator Corporation Management Approval
By:	By:
(Signature of Authorized Individual)	(Signature of Branch Representative)
_____	Jose Felix
(Print or Type Name)	District General Manager
_____	
(Print or Type Title)	
(Date of Acceptance)	(Date of Execution)

WORKERS' COMPENSATION INSURANCE CERTIFICATE

Pursuant to Section 1861 of the State Labor Code, and all amendments thereto, each contractor to whom a public works contract has been awarded shall sign the following certificate and shall submit same to the City of Palmdale prior to performing any work on the contract:

> "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of work of this contract."

TK Elevator
Contractor

By Justin Gilbert
Print Name

Justin Gilbert
Signature

Sr. Sales Representative
Title

02/04/26
Date

Section 3700 of the State Labor Code reads as follows:

> "Every employer except the State shall secure the payment of compensation in one or more of the following ways:
>
> (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.
>
> (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employee."

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Solicitation Number: RFP #050224

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and TK Elevator Corporation, 3100 Interstate North Circle, Suite 500, Atlanta, GA 30339 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Elevators, Escalators, and Moving Walks with Related Equipment, Services, and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires June 25, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

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2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

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A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

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- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

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subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

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7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and

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Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

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C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier's obligation to indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, shall be limited to property damage and bodily injury claims only, and then, only to the extent of Supplier's own acts, omissions or negligence, and shall in no way include for the acts, omissions, or negligence of a party indemnified hereunder, or for bare allegations in the performance of this Contract by the Supplier or its agents or employees. This indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. In all cases involving the responsibility of more than one party, each party shall be liable in an amount proportionate to its share of negligence. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law. In no event shall any party to this Contract be liable for consequential damages, or for loss of use, loss of income, loss of opportunity, or other similar remote damages or penalties.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

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13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

   a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

   b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

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D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other in writing of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional reasonable costs incurred by Sourcewell to the extent of Supplier's default and/or its Participating Entities as a result of such failure to proceed.

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B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

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3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must

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require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

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A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements

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do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that

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takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

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N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

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Sourcewell

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 6/29/2024 | 8:48 PM CDT

TK Elevator Corporation

DocuSigned by:
Donna L. Sams
DF61D22042884CF...

By: _____

Marc McCabe

Title: National Account Manager

Date: 6/29/2024 | 7:56 PM EDT

DocuSign Envelope ID: 1D6D20E5-4F5F-4C10-9A6B-FF7BD8C92948

RFP 050224 - Elevators

Vendor Details

Company Name:	TK Elevator Corporation
Does your company conduct business under any other name? If yes, please state:	Thyssenkrupp Elevator
Address:	3100 Interstate N Cir Se Atlanta, GA 30339
Contact:	Marc McCabe
Email:	marc.mccabe@tkelevator.com
Phone:	941-650-1636
HST#:	01-956-3621

Submission Details

Created On:	Friday April 05, 2024 09:27:52
Submitted On:	Thursday May 02, 2024 13:09:48
Submitted By:	Marc McCabe
Email:	marc.mccabe@tkelevator.com
Transaction #:	5e609c01-6f69-4544-941c-b6b128b0ef96
Submitter's IP Address:	72.185.97.179

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	TK Elevator Corporation	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	TK Elevator Corporation	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	N/A	*
5	Proposer Physical Address:	3100 Interstate North Circle Suite 500 Atlanta, GA 30339	*
6	Proposer website address (or addresses):	https://www.tkelevator.com/us-en/	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	MARC MCCABE National Account Manager Government contracts 941-650-1636	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	MARC MCCABE National Account Manager Government contracts marc.mccabe@tkelevator.com 941-650-1636	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	MARSHAY FREEMAN National Accounts Coordinator, National Accounts quo-vadis.freeman@tkelevator.com 678-680-5156 ext.10770	

Table 2A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response	

10	Provide a detailed description of the products, and services that you are offering in your proposal.	our on-site 24/7 dispatch center, monitors elevator telephones, dispatches service calls and answers phone calls for of offices acrossPa the U.S. and Canada. SoundNet serves TK Elevator and its affiliates 365 days a year. Manufacturing: TK Elevator manufacture Hydraulic, traction, dumbwaiters and escalator vertical transportation. New Installation: tractions, hydraulic, mrl ,escaltors moving walks ect/.. Modernizations: TK Elevator is fully capable to modernize all types of vertical transportation. SoundNet, our on-site 24/7 dispatch center, monitors elevator telephones, dispatches service calls and answers phone calls for of offices across the U.S. and Canada. SoundNet serves ThyssenKrupp Elevator and its affiliates 365 days a year. Manufacturing: thyssenkrupp Elevator manufacture Hydraulic, traction, dumbwaiters and escalator vertical transportation. New Installation: tractions, hydraulic, mrl escaltoprs moving wsalks ect/.. Modernizations: thyssenkrupp Elevator is fully capable to modernize all types of vertical transportation. Parts and Supplies: Our local offices have immediate access to normal wear & tear components and 24/7 turnaround on many non-stock items. Additionally, (ITS) International Technical Services in Dallas, TX provides direct board and drive repair /exchange capabilities. Having this "internal component" is both unique in our industry and critical to maintaining a high level of equipment availability. Service: TK Elevator provides local and national service for all vertical transportation systems Consulting: Site Audits for contract compliance and Capital Planning.	*
11	What levels of service (material only, turnkey, other) are being proposed?	• TK Elevator is flexible in contract negotiation to meet the need of the member. Below are the four major contract variation, all contract levels meet code compliance • Bronze - Oil and Grease only • Gold - full coverage maintenance agreement - no overtime • Platinum - full coverage maintenance agreement - member is only responsible for the premium portion of the overtime billing • Platinum Premier - full coverage maintenance agreement - full overtime contract ***Please see attachment with Service Level Explanations***	*
12	Does the response include installation services?	Yes, Installation services are encompassed under this contract when the Sourcewell contract is presented as it is being used prior to the formulation of the proposal	*
13	If the answer to Line #12 above is Yes, describe in detail the following elements (Lines #14-16) of installation services.		
14	How does the Participating Entity select an installer?	TK Elevator employs their own internal installers who must adhere to the highest-level standards and expectations	
15	How does Proposer ensure installers are trained, experienced, and fully licensed within jurisdictions where work is performed?	TK Elevator employes must go through a lengthy union apprenticeship program, continued education, technical training and continuous safety training to maintain their certificate as a mechanic and retain employment. TK is considered a preferred employer in the elevator industry and hires the best talent available.	*
16	Does Proposer have a standard installation agreement it will require Participating Entities to use? If so, please upload a copy with response.	Each New Install agreement is formulated per site as each site has different needs and must be formulated based on the site specifics. The agreement that is formulated complies with the T&C's of the Sourcewell agreement.	*
17	Describe your service programs and how your company works with agencies in providing service contracts.	TK Elevator is flexible in contract negotiation to meet the need of the member. Below are the four major contract variation, all contract levels meet code compliance • Bronze - Oil and Grease only • Gold - full coverage maintenance agreement - no overtime • Platinum - full coverage maintenance agreement - member is only responsible for the premium portion of the overtime billing • Platinum Premier - full coverage maintenance agreement - full overtime contract The below represents the process of providing a service contract. These are the typical steps in the formulation of the service contract but may not be limited to these steps. - initial meeting and dialogue with member regarding the needs of the member and key contract requirements. the initial meeting will include transitional planning to ensure a seamless service transition. - identification of portfolio equipment and points of contacts at site(s) -consultative surveys / site visits to provide a consultative approach to the equipment -proposal formulation & execution -transitional plan implementation -ongoing communication and meeting cadence to ensure successful contract implementation	

18	Describe how service calls are escalated in emergency situations, including response time.	emergency service calls / entrapments are given the highest priority. an entrapment is immediately dispatched to the on-call supervisor and GPS positioning identifies the closest mechanic to be dispatched to allow the best response time solution. typically response times are 30 minutes or less during regular business hours and 60 minutes or less during overtime hours for metropolitan areas. Response times can vary based on geographical location and exigent circumstances such as but not limited to - traffic, weather, and other unseem circumstances.
19	Discuss the breadth of your parts inventory and the ability that your service and/or maintenance team will have the necessary replacement parts readily available.	Parts and Supplies: Our local offices have immediate access to normal wear & tear components and 24/7 turnaround on many non-stock items. Additionally, (ITS) International Technical Services in Dallas, TX provides direct board and drive repair /exchange capabilities. Having this "internal component" is both unique in our industry and critical to maintaining a high level of equipment availability. Our ITS facility (research & development) offers the latest in diagnostic tools, troubleshooting support, PC board repair and technical training computer boards can be on site in less than 24 hours. In addition to servicing TK elevators, our ITS-trained technicians are knowledgeable on a variety of manufacturers' units, including Otis, Schindler, KONE, Westinghouse, Montgomery, Haughton, U.S. Elevator and many others. In fact, over one third of the elevators serviced by TK are manufactured by our competitors. Each branch has, in addition to technicians, mechanics and helpers, an adjuster that can troubleshoot all issues that are complex or of great detail is on site at each of the over 135 branches across the Unites States. The average tenure of our mechanics is 12.5 years. The majority of our mechanics have been in the field between 15 and 20 years. Most replacement parts are stored at the branch or in our technicians' trucks. If the repair is a larger part TK usually has a turnaround time of 72 hours to get the replacement part depending on the issue.
20	Describe your experience and process in regards to Modernization.	TK Elevator is fully capable to modernize all types of vertical transportation. We take a consultative approach to all modernizations allowing a site-specific scope to be formulated taking into consideration any components that could be retained as cost saving possibilities. Modernizations are conducted in-house with our teams of trained mechanics.

Table 2B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of products or services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
21	Elevators	(•) Yes ( ) No	All models and manufacturers
22	Escalators	(•) Yes ( ) No	All models and manufacturers
23	Moving Walkways	(•) Yes ( ) No	All models and manufacturers
24	Food and Material Lifts	(•) Yes ( ) No	All models and manufacturers
25	ADA-Compliant wheelchair lifts	(•) Yes ( ) No	All models and manufacturers
26	Service, Modernization, preventive maintenance, repair, upgrades, inspection, installation, and warranty services	(•) Yes ( ) No	All models and manufacturers

Table 3: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
27	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Maintenance - Is a not to exceed matrix based on union labor rates by location across North America and at a 20% reduction of our nationally posted maintenance billing rates. *** See Attached NTE Billable rates Pricing document**** Modernization - 5% below list pricing Discounts are available in advance of pricing requests for members who have identified as Sourcewell Members. TK Elevator's large customer base with Sourcewell allows for deeper discounting and pricing considerations and this pricing provided is below pricing that is typically offered to other GPOs and cooperative procurement organizations or State Purchasing departments.

Table 4: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
28	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	The Pricing attachment is a Not to Exceed Pricing Schedule ***See Pricing Schedule*** • Sourcewell Billing Rates 2024 RFP #050224 - Elevators • Sourcewell Not to Exceed Pricing 2024 RFP #050224 - Elevators	*
29	If Proposer is including installation services within its proposal, please describe how installation services will be priced, including applicable labor rates that may apply. How will Proposer address any prevailing wage requirements of Participating Entities?	New INSTALLATION RECEIVES A 5% DISCOUNT ON LIST PRICE Discounts are available in advance of pricing requests for members who have identified as Sourcewell Members.	
30	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	20% MINUMUM discounted maintenance billing rates 5% discount off of list price for Modernization and new installation Discounts are available in advance of pricing requests for members who have identified as Sourcewell Members.	*
31	Describe any quantity or volume discounts or rebate programs that you offer.	volume discounts on service / maintenance are based on the existing number of units that currently under the Sourcewell umbrella agreement. see below table 100-200 - 2% 201-400 - 4% 401-600 - 6 % 601 - 1600 - 7% 1601 - 2600 - 7.5% = existing unit count level 2600+ - 8% -	*
32	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	the pricing model established has provided very competitive do not exceed pricing as well as a a greatly discounted maintenance labor rate minimum (labor rates can be additionally discounted where applicable and able). Material price quotes shall be supplied as required.	*
33	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	N/A	*
34	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	N/A	*
35	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight, shipping and delivery would be similar to the Continental United States	*
36	Describe any unique distribution and/or delivery methods or options offered in your proposal.	N/A	*

Table 5: Payment Terms and Financing Options

Line Item	Question	Response *	
37	Describe your payment terms and accepted payment methods.	• Service: Typically, we will bill monthly or quarterly in advance. Payment is expected NET 30. • Repair: 50% upon award, 50% upon completion of the work. • Construction: Progressively in line with percentage of completion. 10% retainage. • However, with advanced notice we can accommodate most any billing and collection terms • Our local branch will send invoices to the location/member • National Accounts also has a consolidated billing option as well as a Web-Billing department. No fees are associated with any of these options.	*
38	Describe any leasing or financing options available for use by educational or governmental entities.	No, we do not provide leasing or financing options currently..	*
39	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Maintenance contracts shall utilize the Sourcewell Template maintenance contract - see attached - this contract can be revised through the ongoing negotiation with the member to best suit their needs	*
40	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	• Our local branch will send invoices to the location/member •National Accounts also has a consolidated billing option as well as a Web-Billing department. No fees are associated with any of these options. •Credit Card Payments are acceptable as well with a 3% fee	*

Table 6: Audit and Administrative Fee

Line Item	Question	Response *	
41	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	A singular point of contact in the National Accounts Department has been established to coordinate with the local branches to ensure that pricing meets the requirements of the master agreement. Should the member request an additional audit, the request would be made through that point of contact to verify in document compliance from the local branch. All contract before submission are review by National Accounts and our Vice Presidents of contract along with our account receivable department to ensure pricing is contract compliant and that the proper reporting will be made to Sourcewell. invoices will comply with the member needs regarding identification, scope of work, billing requirement, PO #, contracted pricing verification, etc.	*
42	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	o Proposed vs Award o Growth by Number of units o Growth by number of customers o Client satisfaction surveys (Net promoter scores) -	*
43	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	3% of the maintenance revenue received.	*

Table 7: Company Information and Financial Strength

Line Item	Question	Response *	

44	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	To us, Compliance is a central component of good corporate governance. It means much more than just obeying rules and regulations. It is a question of mindset. It concerns every one of us at TK Elevator, every day, everywhere. Values such as reliability, honesty, credibility, and integrity are not empty words to us, but permeate our corporate DNA. This is the standard we apply when developing our strategic compliance measures, creating a value culture which must be jointly supported and consistently lived by all employees – and in particular our managers. A written code of values provides the basis for our decisions. At TK Elevator this value culture is embedded in our Code of Conduct. The Executive Board has clearly stated its commitment for those values, rejecting compliance violations of all kinds. This unequivocal commitment is supported by various policies and regulations. TK Elevator stands for fair and straight business What's important to us is that our corporate philosophy is lived at all levels of the TK Elevator group in the interests of "good corporate governance." We strive to ensure that there are no systemic weaknesses and deficits, in the area of Compliance or anywhere else. At the same time we want to support entrepreneurial courage within a clearly defined framework. While it is part of our philosophy to take calculable entrepreneurial risks and make and accept mistakes, we will not take risks with Compliance. Deliberate violations of the law and internal rules are unacceptable both legally and in our understanding of Compliance. So we have three rules: We investigate all reports of legal violations and clarify the facts. Any violations identified are stopped immediately. All violations identified are systematically and appropriately sanctioned on the basis of a zero-tolerance policy. People make mistakes. If an employee who has unintentionally violated the law admits his mistake and seriously tries to make amends, he deserves a second chance – the circumstances of the concrete individual case permitting. This too is a question of value culture and fairness in our dealings with each other. TK Elevator stands for fair and straight business – this is the standard we resolutely pursue. We would rather sacrifice a contract than win it by breaking the rules.	*
45	What are your company's expectations in the event of an award?	Our expectation as an existing provider is to continue to grow both Sourcewell and our portfolios in providing unsurpassed services to our customers	*
46	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	In its third full year of independence, TK Elevator achieved major strategic progress in repositioning for profitable future growth whilst simultaneously improving its operating performance significantly. In a continuously challenging environment with high inflation and increased interest rates, the company substantially improved key financial performance indicators in the 2022/23 financial year ending September 30, further adding to the significant progress realized since the carve-out in 2020. Order intake increased to €9.2 billion, FX adjusted year-on-year up by 2 percent. Sales rose to €8.9 billion, FX adjusted up by 6 percent, driven by double-digit growth in Modernization, high single-digit growth in Service and New Installation sales up low single digits. Despite negative FX effects and high inflation, the Adj. EBITDA increased to €1.3 billion, a year-on-year increase of 14 percent or more than €150 million and an increase of 24 percent or more than €250 million since the carve-out in the 2019/20 financial year. The group improved its Adj. EBITDA margin by more than one percentage point to a new high of 14.6 percent and continued to generate positive Free Cash Flow.	*
47	What is your US market share for the solutions that you are proposing?	US Market Share : 38%	*
48	What is your Canadian market share for the solutions that you are proposing?	Canadian Market Share : 40%	*
49	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	Lawsuits do occur and exist; however, TKEC has adequate risk management, legal and insurance safeguards in place to protect itself and its customers when required. TK Elevator has not been involved in bankruptcy or reorganization. Notwithstanding, TKM Elevator Corporation is a $3.8 billion company.	*

50	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	TK Elevator does not have a dealer network; all products and services are performed and manufactured by TKE Our network of employees across the US is states are individual employees and Union employees. Sales and distribution are performed by location	*
51	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	In the past 10 years TK Elevator has not had any suspensions or debarments.	*

Table 8: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
52	Describe any relevant industry awards or recognition that your company has received in the past five years.	TK Elevator has been included in the prestigious ‘A’ list by CDP for the fourth time in a row, recognizing its leadership role in corporate transparency and performance on climate change. The company also re-confirmed its Gold Medal in EcoVadis’ sustainability rating, now ranking in the top 2% of all assessed companies. TK Elevator has been included again in Sustainalytics’ 2024 Top-Rated ESG Companies List for the third year in a row. These top ratings honor TK Elevator’s continuous efforts to combat climate change and drive sustainable action.	*
53	What percentage of your sales are to the governmental sector in the past three years?	We currently maintain a Federal Service Supply contract for the next 20 years and have for the last 20 years. Approximately 23% of our maintenance is with federal. state, local and city government	*
54	What percentage of your sales are to the education sector in the past three years?	Education: 15%	*
55	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	TK Elevator does business with multiple cooperative purchasing companies such as, Omnia, Vizient, Premier, Equalis and HealthTrust. There are over 40,000 units attached to these cooperative organizations both government and commercial that TK elevator maintains. The release of any other customers’ information without their approval is against TK Elevator policy.	*
56	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA - FSS 9M+ GSA - PBS 9M+	*

Table 9: Top Five Government or Education Customers

Line Item 57. Provide a list of your top five government, education, or non-profit customers (entity name is optional) to whom you have provided equipment, products, or services similar to the solutions sought in this RFP, including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Various states	Government	Georgia - GA	Vertical Transportation / Maintenance	100+locations	Approximately 669k-Annually	*
Various states	Government	Georgia - GA	Vertical Transportation / Maintenance	148 locations	Approximately 3.2m-Annually	*
University	Education	Florida - FL	Vertical Transportation / Maintenance	138 units	Approximately 1m-Annually	*
University	Education	North Carolina - NC	Vertical Transportation / Maintenance	357 units	Approximately 1.3m-Annually	*
University	Education	Colorado - CO	Vertical Transportation / Maintenance	167 units	Approximately 313 k-Annually	*

Table 10: References/Testimonials

Line Item 58. Supply reference information from three customers to whom you have provided equipment, products, or services similar to the solutions sought in this RFP and who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
The release of any other customers information without their approval is against TKE policy.	The release of any other customers information without their approval is against TKE policy.	The release of any other customers information without their approval is against TKE policy.	*
The release of any other customers information without their approval is against TKE policy	The release of any other customers information without their approval is against TKE policy	The release of any other customers information without their approval is against TKE policy	*
The release of any other customers information without their approval is against TKE policy	The release of any other customers information without their approval is against TKE policy	The release of any other customers information without their approval is against TKE policy	*

Table 11: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	

59	Sales force.	TK Elevator's North American Division is separated into three regions, consisting over 6,000 employees working directly at our branch and regional offices. . Our local customer service is supported by our call center, TK Communications which is operational 24/7 if the local branch is not available. Total number and location of sales persons employed by Supplier. • Pacific Northwest - 52 • California - 59 • Southwest - 47 • Midwest - 73 • Central US - 52 • South - 50 • Southeast - 53 • Florida - 56 • Mid-Atlantic - 48 • Northeast - 53 • TOTAL - 546 Sales employees In additional Our TK sales teams a dedicated National account department and dedicated support resources to include a National Account dedicated account manager assigned to Sourcewell that trains local offices and sales reps on the utilization of Sourcewell and sourcewell program implementation .	*
60	Service force.	With 25,000+ technicians operating from 1,000+ locations in 100+ countries, whenever you need us we've got you covered. And in case of emergency, our Service24 Centers are available around the clock to help keep business moving safely and efficiently.1.5mn+ Units under maintenance. 30%+ Third party equipment service 2mn+ Spare parts distributed p.a.	*
61	Dealer network or other distribution methods.	Services are scheduled and provided at a local branch level. Distribution of products will be managed at the local level, we have branches/locations in North America	*
62	Describe in the detail the ordering process, including the respective roles of distributors, dealers, or others (including sub-contractors) in providing solutions to Participating Entities. This may include a step by step process identifying who is responsible for meeting the needs of the Participating Entity at each stage of delivery.	TKE elevator has the size and resources to fully support the members and their vertical transportation needs TK elevator has the size and resources to fully support the members and their vertical transportation needs, when and where we are needed. This includes around the clock call center, dedicated account manager and sophisticated online tools as well as around the clock engineering support. Our goal is to exceed the members expectations by partnering with Sourcewell to achieve continues growth.	*
63	Please describe the relationship between Proposer any distributors, dealers, or others (including sub-contractors).	N/A	

64	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	We provide Regular and Routine Maintenance 24/7 365. All maintenance programs are code compliant and if needed adjusted to meet our member needs. You can always count on our: • 2,600 highly-trained service technicians, experts in TKE and third-party (OEM) equipment • 24/7 emergency service availability from technicians who are always nearby • 24/7 TKE call center, standing by to quickly take your call • Customer Portal, an online tool for managing your elevator account and placing service requests • Global network of engineers and experts, International Technical Services • Advanced diagnostic tools for communicating with TKE and third-party equipment • Predictive maintenance solution, MAX, which dramatically improves elevator uptime using Internet of Things (IoT) technology • Dedicated account managers, your point of contact for account-related issue • Capital planning services to help you budget for future expenses For an emergency such as an entrapment our goal is to get respond in 30 minutes or less, however due to locations outside of our control including but not limited to traffic, environment, location and access. hour during normal business hours, if not sooner. For an entrapment after normal business hours, we would strive for onsite response in less than 2 hours. For non-emergencies service requests during normal business hours, we should meet same day response. For non-emergency service requests after normal business hours, we will strive to provide response by the following business day.	*
65	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	TK elevator has the size and resources to fully support the members and their vertical transportation needs, when and where we are needed. This includes around the clock call center, dedicated account manager and sophisticated online tools as well as around the clock engineering support. Our goal is to exceed the members expectations by partnering with Sourcewell to achieve continues growth. TK Elevator utilizes GPS within our Technician's mobile devices so that we can route the closest technician to service calls in effort to reduce downtime. We continually look for ways to better serve and communicate with our customers. As we find more ways to improve our service through mobile technology ThyssenKrupp Elevator is always communicating these new enhancements to our customers.	*
66	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	TK elevator has the size and resources to fully support the members and their vertical transportation needs, when and where we are needed. This includes around the clock call center, dedicated account manager and sophisticated online tools as well as around the clock engineering support. Our goal is to exceed the members expectations by partnering with Sourcewell to achieve continues growth.	*
67	Does Proposer intend to serve nonprofit agencies if awarded a contract?	yes	
68	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	TKE is able to service all areas of the US and Canada	*
69	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Our services will be available to all participating entities	*
70	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no defined specific contract requirements or restrictions that would apply	*

Table 12: Marketing Plan

Line Item	Question	Response *	
71	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Upon Award we will schedule online training with all offices and supply them with the new materials to be able to discuss with entity's the Sourcewell program. • We will post on our social media site a link to the Sourcewell website. • Continued participation in trade shows within our industry posting placards stating that we are a supplier for Sourcewell. • Additionally, we will host a conference call with our District VPs to inform them of any changes that might have been made to our existing contract with Sourcewell.	*
72	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	• On our internal website we will post a link to all required documents and forms to sell these services to the membership. • On our social media site we will post a link to the Sourcewell Website • When participating in trade shows within our industry posting placards stating that we are a supplier for Sourcewell • Additionally, local meetings with BOMA and facilities management companies	*
73	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Please refer Question Number 32.TKE, if awarded will send out an information package on any and all new information for Sourcewell to all of our branches. They will receive a copy of the contract and any training material needed. They will also receive the negotiated billing rates and labor rates. An aggressive training schedule will be established between National Accounts and the Regions to educate them on the Sourcewell processes and documentation. Our expectation of Sourcewell s role is promoting TKE and our services through your website and trade shows, also training sessions to the existing portfolio as well as the new membership. As we have experienced in the past as an Sourcewell supplier, we would also expect the continued open line of communication between TKE and our customers.	*
74	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	No, there are many moving parts that require direct communication between the customer and TKE before services can be provided. Elevators are not a shelf type product, all services and products come directly from TKE and services are performed by TKE Employees.	*

Table 13: Value-Added Attributes

Line Item	Question	Response *	
75	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Do to the elevator safety code requirement and reliability associated with elevators and escalators our training for the general public is limited to the in car or group panel operational switches. There is no charge for training on the proper usage of these switches for operational control.	*
76	Describe any technological advances that your proposed products or services offer.	TKE has created a destination control by called AGILE. Which moves passengers more efficiently with AGILE — our Destination Dispatch solution that boosts elevator performance, enhances passenger experiences, improves traffic flow and increases security. Leveraging state-of-the-art intelligent dispatching software, AGILE automatically gauges traffic and groups passengers together based on their destination. For passengers, this means fewer stops, less crowding and faster travel times. For building owners and managers, this means higher capacity, improved traffic flow and less wear and tear on their elevators. AGILE – Security Access is a low-cost solution that connects elevators to tenant databases to increase building security. This flexible solution can function independently or integrate with an existing security system to improve the safety of your tenants.	*

77	Describe any “green” initiatives or Environmental, Social, and Governance (ESG) that relate to your company or to your products or services, and include a list of the certifying agency for each.	As a responsible company, we have set ambitious carbon reduction targets. We were able to increase the share of green electricity by 59% during the last year, significantly reduced our Scope 1 and 2 emissions over the last two years, and track progress with our robust environmental management system. As of 2021/22, 80% of our manufacturing centers were ISO 14001-certified and our ISO 50001-certified factories account for 82% of their energy consumption. All our sites collect energy and water consumption as well as waste data on a regular basis. We focus on waste reduction and aim to achieve zero landfill waste in our manufacturing facilities by 2026. We promote recycling waste and the reuse of packaging materials thereby contributing towards a circular economy. Our Innovation and Qualification Center (IQC) in Atlanta (Georgia), U.S., our manufacturing facility in Middleton (Tennessee), U.S., and our offices in Zhongshan (China) are LEED (“Leadership in Energy and Environmental Design”) Gold certified. Our elevator manufacturing site in Zhongshan (China) has been awarded LEED Silver certification. We will use 100% renewable electricity across global operations by 2030	*
78	Describe how your products contribute to or promote the health, quality of life and well-being of our members and others (e.g., Low VOC emissions, minimal acoustical impact, allergen repellant materials, light reflectant).	At TK Elevator, “product safety” and “quality” go hand in hand. Both are deeply ingrained in our corporate culture. We believe that a rigorous, comprehensive approach to quality and product safety management is crucial for the long-term success of our business. It is one of the prerequisites for customers to be satisfied with and trust the products and services we offer them. It therefore fits that our materiality assessment identified “quality and product safety” as one of the most relevant topic. Product quality is an integral part of our zero-defect philosophy. We believe that every employee’s initiative and dedication are vital for inculcating a zero-defect culture across all our operations. It also has a very clear impact on our sustainability priorities. Consuming more resources to correct issues amplifies our negative impacts on the environment; conversely, increasing our products’ quality extends their lifespans.	
79	Identify any third-party issued eco-labels, ratings, ESG scores or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation (such as: FloorScore, Formaldehyde Emission Standards, FSC Certified, EPDs, HPDs, LEED, WELL Building Standard), life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Understanding the environmental footprint of an elevator’s life cycle and being aware of the various ways to recycle components helps us to understand the overall environmental impact of our products, as well as to optimize R&D processes – and ultimately the design of our products. To ensure transparency regarding our products, we publish Environmental Product Declarations (EPDs) and communicate the results of the Life Cycle Assessments to the public. We help our customers meet their sustainability goals and obtain green building certifications, such as LEED and BREEAM. These are designed to enhance living and working conditions in buildings, protect natural resources and raise property values for all stakeholders, while also meeting tough sustainability standards. We offer products and solutions to meet building certification standards. Our experts for sustainable building provide comprehensive consulting services. We have trained more than 200 accredited LEED Green Associates and BREEAM Associate Experts. In all our main markets we have EPDs registered for a wide range of our elevators. The upstream production phase as well as the usage phase have the highest impact on the environmental performance of our products. At the end of our products’ life, steel components are recyclable which can provide a substantial improvement of its environmental impact. Other stages of the life cycle of our products, including transportation, installation and service, play a less significant role in terms of the environmental impact. By maximizing energy and resource efficiency we are significantly reducing the emissions and environmental impact of buildings. Taking the steps to increase sustainability is a top priority in our product development. Part of our product portfolio qualifies for the highest energy efficiency rating (Class A as defined by ISO 25745-2 for elevators, and Class A+++ according to ISO 25745-3 escalators). With our modernization solutions, we reduce the use of materials and energy in buildings	*
80	Please identify whether Proposer is a minority, women, veteran owned business enterprise, a small business entity, or a labor surplus area firm. If so, please provide all certification forms. Additionally, please describe how Proposer may partner with these entities in performance of this contract.	We support communities in cities around the world through volunteering or providing financial aid to selected entrepreneurship projects, as well as by donating to healthcare providers facing challenges as a result of the corona pandemic. Youth unemployment is a global challenge. Around 270 million young people worldwide are currently not being employed, educated, or trained. TK Elevator is committed to supporting young people with challenging backgrounds by helping them becoming employable and independent adults. Since 2017 we have partnered with SOS Children’s Villages to fight youth unemployment. About 600 young people were trained through the support of 200 TK Elevator volunteers. Our employees act as instructors, mentors and also as role models for young people.	*

81	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Here at TK Elevator we say, “we engineer confidence.” We take this statement seriously. Over 10,000 manufacturing, installation, service, repair, sales and management professionals work each day to build, install, maintain, and modernize elevators, escalators, and moving walks safely. From a safety standpoint, you want to hire someone you can trust — a company that specializes in servicing all kinds of elevators, not just the ones they manufacture. Our ITS Americas (International Technical Services) facility offers our mechanics the latest in diagnostic tools, troubleshooting support, PC board repair, and technical training. This support is backed by our field engineers, available 24 hours a day, who are among the most skilled experts in the industry. As the largest producer of elevators in the Americas with over 135 locations, you can be confident that we have the size and resources to support you, whenever and wherever you need us. Our technicians are on the road day and night, never far away from your equipment. When something does go wrong, you want to know someone is there to help. That’s why TK Elevator Communications answers elevator telephones 24 hours a day, 365 days a year. Our highly trained staff currently handles over one million calls a year, is capable of translating up to 135 different languages, and strives to keep response time below ten seconds. Our local team is ready to assist you in making sound decisions about your needs and systems	*
82	How has the integration of advanced technologies, such as IoT, AI, and energy-efficient systems, influenced the development and operation of your elevator solutions?	At TK Elevator, we’re driving the revolution in elevator technologies and services. We’ve re-imagined the elevator, 160 years after its invention, by replacing its ropes with linear motors. In the process, we’ve opened the door to new possibilities – in all directions! We have Created THE WORLD'S FIRST ROPE-FREE ELEVATOR. MULTI harnesses the power of linear motor technology to move multiple cars in a single shaft both vertically and horizontally!	

Table 14A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
83	Do your warranties cover all products, parts, and labor?	Yes, if installed by TKE and if we currently maintain the equipment under a full maintenance contract.	*
84	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	TKE shall neither be required nor obligated to service, make renewals or repairs upon the equipment by reason of negligence, obsolescence, misuse of the equipment, loss of power, blown fuses, tripped stop switches, theft, vandalism, explosion, fire, power failure, water damage, storm, lightning, nuisance calls or by any other reason or any other cause beyond Service Provider's control, except ordinary wear and tear from the commencement date of this agreement or equipment not under TKE service	*
85	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes	*
86	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No, TKE can provide a certified technician in all regions.	*
87	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	TK Elevator will cover warranty service or proposed installed and maintained or under service by TK Elevator.	*
88	What are your proposed exchange and return programs and policies?	No, TKE does not exchange or return parts or equipment.	*
89	Describe any service contract options for the items included in your proposal.	TK elevator is flexible in contract negotiation to meet the need of the member. Below are the four major contract variation, all contract levels meet code compliance. • Bronze • Gold • Platinum • Platinum Premier	*
90	Describe, in detail, your approach to providing both maintenance and repair for your units in service.	TK Elevator approach to providing both maintains and repair to system under service is both proactive and predictive maintenance. Years of identifying failure rates for individual components gives us the ability to adjust reoccurring maintenance of those component or to replace the components before failure. Unfortunately, in some cases a repair will need to be made where a unit is not operating, Because of our information data base we are well stocked with those components / parts locally and nationally to have the unit operational as soon as possible.	
91	How does your elevator dispatch system adapt to different trafic patterns and peak usage time to ensure optimal performance and user satisfaction?	We have a 24/7 dedicated dispatch team .	

Table 148: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
92	Describe any performance standards or guarantees that apply to your services	Please see the attached Sourcewell contract template in regard to the performance standards that are contractually obligated. The MCP that the template is using is an extensive checklist to maintain industry performance standards within industry standards	*
93	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	Internally we conduct quality audits on sites as well as accountability regarding routing and missed visits for units under the MCP. operation managers are graded on their performance in providing the contracted services for each unit under their umbrella. Additional quarterly Business reviews are commonly conducted for Sourcewell customers with KPIOs reviewed to determine any areas of concern.	*

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - Sourcewell Not to Exceed Pricing & Billing rates TK 050224 - 2024 - 2027.xlsx - Wednesday May 01, 2024 20:41:06
- Financial Strength and Stability - 230427_Press release TK Elevator Sustainability Report.pdf - Thursday May 02, 2024 13:08:46
- Marketing Plan/Samples - TKE Company Brochure.pdf - Thursday May 02, 2024 12:34:50
- WMBE/MBE/SBE or Related Certificates - Minority Owned Spend FY22.pdf - Wednesday May 01, 2024 20:02:50
- Warranty Information - Sourcewell Maintenance Agreement Template - 050224.docx - Wednesday May 01, 2024 20:42:09
- Standard Transaction Document Samples - Sourcewell Maintenance Agreement Template - 050224.docx - Wednesday May 01, 2024 20:42:37
- Requested Exceptions - 2024 RFP_050224_Elevators_Contract_Template RL by DLS 4.19.24.docx - Wednesday May 01, 2024 20:42:46
- Upload Additional Document - EOX Brochure.pdf - Thursday May 02, 2024 12:35:08

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Marc McCabe, National Account Manager , TK Elevator Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum 5 Elevators RFP 050224 Wed April 3 2024 02:18 PM	☑	2
Addendum 4 Elevators RFP 050224 Thu March 21 2024 12:01 PM	☑	1
Addendum 3 Elevators RFP 050224 Wed March 20 2024 03:49 PM	☑	1
Addendum 2 Elevators RFP 050224 Tue March 19 2024 02:34 PM	☑	1
Addendum 1 Elevators RFP 050224 Mon March 18 2024 03:33 PM	☑	1

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SOURCEWELL AND
TK ELEVATOR (CANADA) LIMITED
ADOPTION AGREEMENT

This Adoption Agreement is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 U.S.A. ("Sourcewell") and **TK Elevator (Canada) Limited**, 2075 Kennedy Road, Suite 600, Scarborough, ON M1T 3V3 ("TK Canada"), dated as of the last signature below (the "Effective Date") adopts and incorporates by reference all of the terms and conditions of the Master Agreement #050224-TKE between **TK Elevator Corporation** and Sourcewell effective June 29, 2024 (the "Contract").

Sourcewell and **TK Elevator Corporation** are parties to the Contract pursuant to which **TK Elevator Corporation** provides equipment, products, or services to Sourcewell Participating Entities in the United States. **TK Elevator (Canada) Limited** wishes to adopt the Contract for sales in Canada and Sourcewell agrees to such adoption in Canada.

1. **TERM OF ADOPTION AGREEMENT**

The Adoption Agreement is effective upon the date of the final signature below. The Term of the Adoption Agreement will be the same as the term of the Contract. If the Contract terminates for any reason or expires, the Adoption Agreement will terminate or expire at the same time.

2. **ADOPTION OF CONTRACT**

Sourcewell and **TK Elevator (Canada) Limited** enter into this Adoption Agreement, which incorporates by reference the terms and conditions of the Contract and modifies the terms and conditions of the Contract only as provided herein. For purposes of this Adoption Agreement, **TK Elevator (Canada) Limited** will be considered "Supplier" under the Contract.

A. Ratification**.** Except as set forth in this Adoption Agreement, the Agreement is hereby ratified and confirmed and except as modified by this Adoption Agreement, all terms and conditions are hereby incorporated by reference and remain in full force and effect with the same force and effect as if the full text were presented in its entirety.

B. Conflict. In the event of any conflict between the terms of the Contract, any previous amendment(s) and this Adoption Agreement, this Adoption Agreement will control.

3. **PROVISIONS OF THE ADOPTION AGREEMENT**

The following changes to the Contract are applicable to all equipment, products, or services in Canada:

A. All acquisitions made by Sourcewell Participating Entities under the Agreement in Canada

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will be delivered and invoiced by **TK Elevator (Canada) Limited**.

B. Customer will be invoiced for the sale of Products and related Services in Canada in Canadian Dollars as follows:

1. Prices will be converted to Canadian Dollars every calendar quarter (Jan-March, April-June, July-Sept, Oct-Dec) and will be valid for that period. Exchange rates will be provided to the Customer according to the average exchange rate between U.S. Dollars and Canadian Dollars over the preceding 90 days as published on www.oanda.com.

2. All taxes for the acquisition of Products and related Services procured in Canada will be assessed in accordance with the applicable Canadian local, provincial, and federal laws and regulations.

C. **Insurance.** Both parties agree that for services in Canada, TK Elevator (Canada) Limited shall provide insurance limits in Canadian dollars.

D. **Government Data Practices.** For service provided in Canada only: Supplier will follow the laws of the territory or province where the project is located.

Except as modified herein, the Contract remains in full force and effect, and the parties hereby ratify the Contract as amended herein and agree to be bound by its terms with respect to the equipment, products, or services in Canada as contemplated by this Adoption Agreement.

Sourcewell

Signed by: Jeremy Schwartz
C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 6/10/2025 | 12:17 PM CDT

TK Elevator (Canada) Limited

DocuSigned by: Christopher Barbeau
B759B4C25C924FC...

By: _____

Printed Name: Christopher Barbeau

Title: Vice President, Sales

Date: 6/11/2025 | 7:33 AM MDT

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City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **3, 4**

SUBJECT: **APPROVE CONSTRUCTION AGREEMENT WITH CEM CONSTRUCTION CORPORATION FOR PN 796, 45TH STREET EAST SEWER, STORM DRAIN, AND STREET IMPROVEMENT PROJECT, FOR A TOTAL NOT TO EXCEED AMOUNT OF $10,995,022 FOR A TERM OF 251 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Construction Agreement No. A-9800 with CEM Construction Corporation for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project (Project) for a total not to exceed amount of $10,995,022, which includes a contract amount of $9,995,475, plus a 10% contingency amount of $999,547 for a term of 251 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9800 with CEM Construction Corporation, including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 10% contingency amount approved by the Council.

BACKGROUND

The Project is a pivotal undertaking to enhance infrastructure along 45th Street between Avenue R and Avenue S. This initiative aims to improve roadway safety and functionality while effectively managing stormwater and wastewater in our community.

The Project includes:

- New 18-Inch Sewer Main: Extends from Avenue S to R, boosting capacity and reducing backups;
- New 78-Inch Storm Drain: Located between Avenue R-8 and R, helping prevent flooding; and,
- Street Pavement Rehab: Includes new sidewalks, curbs, and gutters for safer pedestrian access.

The anticipated construction duration for this improvement project is two hundred and fifty-one (251) working days from the date of the Notice to Proceed.

DISCUSSION

On March 18, 2026, the Project was advertised for construction bids via the PlanetBids electronic platform. Five (5) bids were received on April 20, 2026.

Bidder	Location	Amount
1. CEM Construction Corporation	Montebello, CA	$9,995,475.00
2. Toro Enterprises, Inc.	Oxnard, CA	$10,351,101.70
3. Grbcon, Inc.	Baldwin Park, CA	$11,355,853.00
4. Security Paving Company, Inc.	Westlake Village, CA	$13,501,797.00
5. Blois Construction, LLC	Oxnard, CA	$15,363,940.00

CEM Construction Corporation submitted the lowest responsive and responsible bid and secured the required 10% bid bond. References have been checked, and staff recommend that the City Council award Project No. 796 to CEM Construction Corporation in the amount of $9,995,475, with a 10% contingency.

FISCAL IMPACT

$10,995,022; Sufficient funds are budgeted and available using funding sources in Sewer Maintenance, Sewer Upgrades, Pearland Drainage Fund, and Measure M Local Return Fund.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. 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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9800 with CEM Construction Corporation
Proposal
Fee Schedule
Location Map

AGREEMENT NO. A- 9800
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND CEM CONSTRUCTION CORPORATION

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and CEM CONSTRUCTION CORPORATION, a CONTRACTOR ("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:

PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project

CONTRACTOR to provide all labor, materials, and equipment:

a) Utilities: Install 18” sewer relief line and 78” storm drain mainline.
b) Drainage Structures: Install new catch basins and manholes.
c) Roadway/Pavement: Install polymer-modified asphalt concrete.
d) Concrete Improvements: Install new sidewalks, curbs, and gutters.
e) Appurtenances: Perform utility adjustments and reset monuments.
f) Safety: Install signing and striping.

CONTRACTOR's Proposal attached as Exhibit "A".

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.

Should it apply, the Successor Community Workforce Agreement policies and procedures must be followed as outlined in the attached agreement.

3 Compensation

City shall pay Contractor the total, all-inclusive, NOT-TO-EXCEED amount of NINE MILLION, NINE HUNDRED and NINETY-FIVE THOUSAND, FOUR HUNDRED and SEVENTY-FIVE Dollars ($9995475.00) 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 TWO HUNDRED and FIFTY-ONE (251) 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 A Contractor's License. **Licensee** to perform the required work ("Work"). Contractor's DIR registration number is 1000000805. Contractor hereby certifies that it holds the required license(s).

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.

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 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 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
- $5,000,000.00 limit on a per occurrence basis
- $10,000,000.00 general aggregate limit

11.1.2 Commercial Automobile Liability
- $5,000,000.00 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 --
  $1,000,000.00 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 Ownership and Delivery of Work Product

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONTRACTOR or Contractor's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY.

All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONTRACTOR shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

23 Ownership of Intellectual Property

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONTRACTOR hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONTRACTOR consents to the use of CONTRACTOR's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONTRACTOR agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONTRACTOR waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

24 Non-discrimination and Equal Employment Opportunity

24.1 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.

25 SB 1383 Compliance

CONTRACTOR shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

26 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.

27 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.

28 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.

29 Health and Safety Provisions

A. CONTRACTOR and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONTRACTOR and subcontractors shall abide by the most restrictive mandate.

B. Costs associated with adhering to health and safety mandates are the responsibility of the CONTRACTOR. CONTRACTOR is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

30 Notification and Access Revocation

The CONTRACTOR shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONTRACTOR to be in breach of contract. Notice shall include the individual's name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

31 Force Majeure

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.

The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all

diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

32 Successors and Assigns

The terms and conditions of this Contract shall be binding on the successors and assigns of the parties to this Contract.

33 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.

34 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.

35 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	CEM CONSTRUCTION CORPORATION
Salvador Mendez Date City Manager	Jesus Eduardo Carrillo, M.S., P.E. President
Lee Torres Apr 29, 2026, 12:32 PM PDT	
ADDRESS FOR NOTICE: CITY OF PALMDALE 38250 Sierra Highway Palmdale, CA 93550	ADDRESS FOR NOTICE: CEM CONSTRUCTION CORPORATION 1412 Espanol Avenue Montebello, CA 90640
APPROVE AS TO FORM:	
Alexandra Severino City Attorney	
ATTEST:	ATTEST: If Corporation
Rochelle Scott City Clerk	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)

Record of Signing

For City of Palmdale
Name Leonardo Torres
Title



Signed on Apr 29, 2026 12:32 PM PDT

Secured by Concord™
DocumentID: 0338BNURWfQv6ZKemzcdBU
SigningID: 0338BNUDOJyFYP58Ho3c24
UTC Signing time: 2026-04-29 19:32:21 UTC
IP Address: 172.56.187.193
Email: ltorres@cityofpalmdaleca.gov

concord™
Where agreements happen.

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

PALMDALE

a place to call home

BID FORMS

FOR

45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT

PROJECT NO. 796

PREPARED BY:

DEPARTMENT OF PUBLIC WORKS
38250 Sierra Highway
Palmdale, CA 93550
(661) 267-5300

PALMDALE

NOTICE INVITING BIDS

PN 796 – 45TH STREET EAST SEWER, STROM DRAIN AND STREET IMPROVEMENTS PROJECT

PUBLISH DATES: March 19, 2026
SOLICITATION NUMBER: PN 796
SOLICITATION RELEASE DATE: March 21, 2026
BID TYPE: Electronic (E-Bid) through PlanetBids (PB™)
BID DUE DATE: April 20, 2026, at 12:00 P.M. (PST) by the electronic clock in PlanetBids (PB™).
Q&A DEADLINE: April 7, 2026, at 10:00 A.M. (PST) by the electronic clock in PlanetBids (PB™).

NOTICE IS HEREBY GIVEN that the City of Palmdale ("CITY") will receive sealed bids electronically from contractors licensed to do business in the State of California and qualified to provide the necessary services no later than the bid due date stated above. Bids shall be submitted through CITY's electronic bid management system, PlanetBids (PB™), using the standard forms provided in the Instruction to Bidders. It is the responsibility of the bidder to submit their bid with sufficient time to be received by PlanetBids (PB™) prior to the bid due date, as this deadline is absolute. Allow time for technical difficulties, uploading, and any other unexpected delays.

This project shall comply with the requirements of the California Public Contract Code and other provisions of State and Federal law applicable to this Project. Nothing in this IFB is intended nor should be interpreted as contravening the provisions of these codes. Contractor shall be fully knowledgeable of, and shall comply with, the provision of Federal, State and County law, rules, and regulations applicable to this Project. Affirmative action to ensure against discrimination in employment practices on the basis of race, color, national origin, ancestry, sex, or religion shall also be enforced.

The City hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit Proposals in response to this notice and will not be discriminated against on the basis of race, color, religion, ethnic or national origin, sex, or on the basis of age or with respect to an otherwise qualified handicap, in accordance with the Civil Rights Act of 1964, Title VI and Title I of the Housing and Community Development Act of 1974, Section 109 as amended, in any consideration leading to the award of the contract.

NOTICE IS ALSO HEREBY GIVEN that this Project shall comply with the requirements of the 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 ("CWA") if the resulting Public Work Agreement exceeds $750,000. If applicable, the awarded Contractor, and each of its subcontractors, of whatever tier, shall be required to submit Letter(s) of Assent per the CWA.

SCOPE OF WORK. The Project includes, without limitation, furnishing all necessary labor, materials, equipment, and other incidental and appurtenant Work necessary to satisfactorily complete the Project,

as more specifically described in the Contract Documents. This Work will be performed in strict conformance with the Contract Documents, permits from regulatory agencies with jurisdiction, and applicable regulations. The quantity of Work to be performed and materials to be furnished are approximations only, being given as a basis for the comparison of Bids. Actual quantities of Work to be performed may vary at the discretion of the City Engineer and/or his designee. The work may consist of but is not limited to: install 18 “sewer relief line, install 78” storm drain mainline, install catch basins, install storm drain manholes, install polymer modified asphalt concrete, install sidewalk, install curb and gutter, signing and striping, utility adjustments and resetting monuments. The construction is set to be adhering to the “Standard Specifications for Public Works Construction” and related plans. The duration of project to complete all site improvements shall be **251** working days.

LICENSE REQUIREMENTS. Each Bidder shall possess a valid **Class A** Contractor’s license issued by the California State Contractors License Board at the time of the Bid submission. The successful Contractor must also possess a current City business license.

OBTAINING BID DOCUMENTS. Respondents must be registered as a vendor with CITY’s electronic bid management system, PlanetBids (PB™) to access all solicitation documents, including any attachments, related to this Invitation for Bids (IFB). As a registered vendor within the CITY’s vendor database, respondents will be automatically notified of “Question & Answer” responses, bid updates, and addenda. Registration is free and immediate.

PRE-BID QUESTIONS AND ADDENDA. All questions and inquiries regarding this solicitation must be submitted to CITY via the PlanetBids (PB™) online “Questions & Answer” page no later than the Q&A deadline stated above. CITY will provide answers using the PlanetBids (PB™) online system. It shall be the sole responsibility of the respondent to verify issuance of any addenda and to check all avenues of document availability prior to the bid due date. By submitting a bid, respondent shall be deemed to have received all addendums, and incorporated them into its bid. All such addenda shall become part of the resulting contract and all respondents shall be bound by such addenda.

For additional detailed correspondence, please direct inquiries to Ariane Quizon at (661) 267-5394 or aquizon@cityofpalmdaleca.gov.

PRE-BID MEETING. A mandatory pre-bid meeting will be held on **March 30, 2026**, at 10:00 A.M. at 38250 Sierra Highway, Palmdale, CA. Every Bidder shall attend the pre-bid meeting and Project site visit. Failure of a Bidder to attend will render that Bidder’s Bid non-responsive. No allowances for cost adjustments will be made if a Bidder fails to adequately examine the Project site before submitting a Bid. It is highly suggested that the contractors review the plans before the meeting and have questions ready to be submitted.

BID PROCESS. Bids will be opened and released on the City’s electronic bid management system, PlanetBids (PB™) within 24 hours of bid closing. Bids submitted will be first evaluated for completeness. Incomplete bids may be disqualified from consideration. The CITY reserves the right to reject any or all bids and to waive any irregularities or informalities in any Bid or in the bidding process, as deemed to be in its best interest, and to be the sole judge of the merits of the respective bids received.

BID BONDS & INSURANCE. Each bid must be accompanied by a surety bond payable to the City of Palmdale in an amount equal to at least ten percent (10%) of the bid to guarantee that the bidder will enter the contract if it is so awarded. The awarded bidder will be required to submit a faithful performance bond, payment bond, and certificate of insurance demonstrating the applicable coverage limits with the executed contract. Bonds shall be valid for a duration of ninety (90) days. Bid Bonds shall be submitted

electronically through Surety 2000 in the form and content included with the Contract Documents and issuance of the electronic Bid Bond is verified through Surety2000 (http://www.surety2000.com/). Bidders submitting an electronic Bid Bond are solely responsible for completing Surety2000 registration requirements and payment of Surety2000 fees and charges. The City is not responsible to Bidders for: (i) Surety2000 acts or omissions; (ii) the complete/timely verification of electronically issued Bid Bonds; or (iii) any other errors in the electronically issued/verified Bid Bond.

DEPARTMENT OF INDUSTRIAL RELATIONS. In accordance with Labor Code Sections 1725.5 and 1771.1, no contractor or subcontractor shall be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Section 1725.5 [with limited exceptions for bid purposes only under Labor Code Section 1771.1(a)].

PREVAILING WAGE. In accordance with Labor Code Section 1770 *et seq.*, the Project is a "public work." The selected Bidder (Contractor) and any Subcontractors shall pay wages in accordance with the determination of the Director of the Department of Industrial Relations ("DIR") regarding the prevailing rate of per diem wages. Bidders can obtain the most current prevailing wage rates at: https://www.dir.ca.gov/Public-Works/Prevailing-Wage.html. The Contractor shall post a copy of the DIR's determination of the prevailing rate of per diem wages at each job site. This Project is subject to compliance monitoring and enforcement by the DIR.

RETENTION SUBSTITUTION. Five percent (5%) of any progress payment will be withheld as retention. In accordance with Public Contract Code Section 22300, and at the request and expense of the Contractor, securities equivalent to the amount withheld may be deposited with the City or with a State or federally chartered bank as escrow agent, which shall then pay such moneys to the Contractor. Upon satisfactory completion of the Project, the securities shall be returned to the Contractor. Alternatively, the Contractor may request that the City make payments of earned retentions directly to an escrow agent at the Contractor's expense. No such substitutions shall be accepted until all related documents are approved by the City Attorney.

By: Leonardo Torres, P.E.
Director of Public Works

Date: 03/19/2026

CHECKLIST FOR BIDDERS

The following information is required of all Bidders at the time of Bid submission:

- [x] Bid Cover Form
- [x] Bid Sheets
- [x] Bid Bond or Other Security Form
- [x] Questionnaire
- [x] References Form
- [x] Resume of General Construction Superintendent / On-Site Construction Manager
- [x] Subcontractor Designation Form
- [x] Industrial Safety Record Form
- [x] Bidder's Acknowledgement of Community Workforce Agreement (Only if > $250k)
- [x] Bidder's Acknowledgement of Liability Insurance Requirements
- [x] Non-Collusion Declaration Form
- [x] Non-Discrimination Form
- [x] Penal & Civil Penalties Concerning Contractor's Licensing Laws Form
- [x] Electrical Safety Policy Form (Only if > $500k)

Failure of the Bidder to provide all required information in a complete and accurate manner subjects the Bid to be considered non-responsive.

BID COVER FORM

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

Bidder acknowledges receipt of all addenda, as follows:

Addendum No.	1	Date:	4/14/2026
Addendum No.	2	Date:	4/15/2026
Addendum No.		Date:	
Addendum No.		Date:	

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check, or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses the California Contractor's License specified below.

License No: 951234
Class: A, B, C-8, C-12, C-21, C-27
Expiration: 08/31/2026

Bidder's Name: CEM Construction Corporation
DIR Registration No: 1000000805
*UEI No:

*Only required for federally funded projects

Signature: _____ Title: President Date: 04/17/2026
Signature: _____ Title: _____ Date: _____

CITY OF PALMDALE
PN 796 45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT
APRIL 14, 2026
ADDENDUM NO. 1

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1. This Addendum No. 1 forms a part of the Bidding and Contract Documents and modifies the Plans and Specifications for the City of Palmdale's PN 796 45th Street East Sewer, Storm Drain and Street Improvements Project. Bidders must acknowledge receipt of this Addendum No.1 on PlanetBids and on the Bid Cover Form in the bid package.

2. This Addendum No. 1 modifies the Bidding and Contract Documents in the following manner:
   a) Additional bid item,
      1. Bid Item 74: Storm Drain Dewatering (as shown on the updated bid schedule)
         I. At the location of the proposed connection to the existing 66-inch reinforced concrete pipe (RCP) storm drain at Station 113+25.00 (storm drain plan sheet 5 of 9), the existing storm drain may contain standing or flowing water at the time of construction. Prior to commencing any connection or tie-in work, the Contractor shall be responsible for dewatering the existing 66-inch storm drain as necessary to provide a dry and safe work area. Dewatering operations shall include all labor, materials, equipment, temporary facilities, and incidentals required to remove and manage water from the existing storm drain system for the duration of the connection work.
         II. Dewatered flows shall be discharged north of Avenue R-8 on the west side of 45th Street, or to another location approved by the City of Palmdale. Dewatering activities shall not commence until the Contractor has consulted with and received approval from the City of Palmdale regarding the proposed dewatering method, discharge location, and timing. All dewatering operations shall be performed in accordance with applicable local, state, and federal regulations, and in a manner that prevents erosion, flooding, sediment transport, or adverse impacts to adjacent facilities and properties. The Contractor shall coordinate dewatering operations with ongoing or forecasted storm events and shall immediately cease dewatering if directed by the City.
         III. Unit of Measure is LS (lump sum)

3. Questions and Answers:

   a) What is the engineer's estimate for this project?
   Answer: The total estimated construction cost from our final design estimate was $8,418,000

   b) The profiles for the RCB seems to call out ASTM C76 Classes as well as specific D-load requirements. C76 and D-load testing only applies to RCP (reinforced concrete pipe) and if used to design RCB (reinforced concrete box), it would result in a severe risk of failure. SSPWC 390-1 is the standard design to be followed for precast RCB and gives proper design requirements. Please confirm that all bidders should be disregard class and D-load for precast RCB and follow 390-1.
   Answer: Correct, follow the SPPWC 390-1 standard plan details and notes for proper design requirements.

   c) The profiles for the RCP callout both a class and a D-load. Sometimes these conflict. For example, Class IV is 2000-D to 1351-D per ASTM C76 but several portions of the 78" call

for 1050-D which would put it in Class III (1350-D to 1001-D). Are bidders to follow the Class or the specific D-load?
Answer: Bidders are to follow the pipe class as designated on the plan profiles for the RCP. Per plan the RCP is designated as Class IV per ASTM C76 for all RCP diameters.

d) Please confirm the allowance amount for the encroachment and Caltrans permit.
Answer: The CONTRACTOR will need to determine the allowance amount for the encroachment and Caltrans permit.

e) Please advise whether the City will be providing a soils report for this project. The report is necessary to properly design the shoring system in accordance with the site conditions.
Answer: Uploaded to PlanetBids under Documents titled: 45th Street SD_Potholes, Palmdale Complete Pothole Report and Sanitary Trunk Sewer Upsizing Geotechnical Report.

f) Will the city be providing a laydown yard for the project?
Answer: Contingent upon approval of adjacent property owner at North-West corner of 45th Street East and Avenue R-8. However, the CONTRACTOR's proposed staging plan shall be submitted to the Engineer for approval within ten (10) working days after the AGENCY's issuance of a notice of award of contract.

g) Please confirm the allowable work hours for this project. Per the Special Provisions, work hours are specified as 6:30 AM to 5:00 PM. However, the Traffic Control Plans included in the bid documents indicate work hours are generally from 7:00 AM to 7:00 PM, with exceptions for night work on Avenue S.
Answer: The proposed working hours are subject to approval by the City. The contractor may propose working hours based on the schedule to complete the project within 251 working days from the issuance of the Notice to Proceed.

h) Per the special provisions, the City offices are closed during the week between Christmas and New Year's. Please confirm whether the Contractor will be permitted to perform work during this period.
Answer: See response g)

i) Please confirm the applicable liquidated damages amount. Per the Special Provisions, the liquidated damages are stated as $1,000 per calendar day, while the bid invitation indicates $1,500 per calendar day. Kindly clarify which amount governs.
Answer: The liquidated damages would be $1,000 per calendar day.

j) What is the engineers estimate for this project?
Answer: See response a)

k) Per the traffic control plans, please provide a list of contractors approved by the City of Palmdale to perform modifications to traffic control equipment.
Answer: There is no list of contractors that the City of Palmdale can recommend for performing modifications to traffic control equipment.

Please note the bid submittal date and time has not changed.

for Jonathan Wu

Jonathan Wu, P.E.
Deputy Director of Public Works

4/14/2026
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: _____

Name: Jesus E Carrillo

Title: President

Company: CEM Construction Corp

Date: 4/17/2026

CITY OF PALMDALE
PN 796 45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT
APRIL 15, 2026
ADDENDUM NO. 2

1. This Addendum No. 2 forms a part of the Bidding and Contract Documents and modifies the BID SHEET for the City of Palmdale's PN 796 45th Street East Sewer, Storm Drain and Street Improvements Project. Bidders must acknowledge receipt of this Addendum No. 2 on PlanetBids and on the Bid Cover Form in the bid package.

2. This Addendum No. 2 modifies the Bidding and Contract Documents in the following manner:
   a) Replace the BID SHEET in BID FORMS Page 6,7 and 8 of 31 with the following BID SHEET :

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization and Demobilization	LS	1	$300,000.00	$300,000.00
2	Excavation Safety Measures	LS	1	$20,000.00	$20,000.00
3	City of Palmdale Encroachment Permit Fee	Allowance	1	$1,500.00	$1,500.00
4	Compliance with SWPPP Requirements	LS	1	$25,000.00	$25,000.00
5	Sewer Bypassing	LS	1	$145,000.00	$145,000.00
6	Traffic Control	LS	1	$75,000.00	$75,000.00
7	Construction Information Signs	EA	5	$1,500.00	$7,500.00
8	Provide As-Built Drawings	LS	1	$3,500.00	$3,500.00
9	Post-Construction CCTV Inspection	LF	5,280	$4.50	$23,760.00
10	Construct 18" Extra Strength VCP Sewer Pipe	LF	5,280	$375.00	$ $1,980,000.00
11	Construct 15" Extra Strength VCP Sewer Pipe	LF	5	$750.00	$3,750.00
12	Construct 12" Extra Strength VCP Sewer Pipe	LF	8	$725.00	$5,800.00
13	Construct 10" Extra Strength VCP Sewer Pipe	LF	16	$700.00	$11,200.00
14	Construct 48" I.D. Precast Reinforced Concrete Manhole	EA	13	$36,500.00	$474,500.00
15	Construct 48" I.D. Precast Reinforced Concrete Drop Manhole	EA	1	$40,500.00	$40,500.00
16	Construct 60" I.D. Precast Reinforced Concrete Manhole	EA	4	$45,000.00	$180,000.00
17	Remove and Dispose of Existing Sewer Manhole & Base	EA	2	$9,500.00	$19,000.00

18	Remove and Dispose of Existing Concrete Encased Sewer Main	LF	20	$175.00	$3,500.00
19	Reconnect 4" SDR-35 PVC Sewer Lateral to Proposed Sewer Trunk Main	EA	4	$18,500.00	$74,000.00
20	Break into Existing Manhole and Re-channel	EA	3	$7,500.00	$22,500.00
21	Reconstruct 18" SD Lateral	LS	1	$49,500.00	$49,500.00
22	18" RCP (REINFORCED CONCRETE PIPE)	LF	80	$700.00	$56,000.00
23	24" RCP (REINFORCED CONCRETE PIPE)	LF	12	$1,250.00	$15,000.00
24	30" RCP (REINFORCED CONCRETE PIPE)	LF	106	$700.00	$74,200.00
25	66" RCP (REINFORCED CONCRETE PIPE)	LF	38	$850.00	$32,300.00
26	78" RCP (REINFORCED CONCRETE PIPE)	LF	1,915	$900.00	$1,723,500.00
27	4'X8' RCB (REINFORCED CONCRETE BOX)	LF	26	$2,250.00	$58,500.00
28	6'X8' RCB (REINFORCED CONCRETE BOX)	LF	32	$2,950.00	$94,400.00
29	2-3'X8' DOUBLE RCB	LF	78	$975.00	$76,050.00
30	2-5'X5' DOUBLE RCB	LF	6	$1,225.00	$7,350.00
31	2-4'X7' DOUBLE RCB	LF	560	$1,450.00	$812,000.00
32	7' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$22,500.00	$22,500.00
33	14' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$34,500.00	$34,500.00
34	21' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$59,500.00	$59,500.00
35	28' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$57,500.00	$57,500.00
36	28' SIDE OPENING PRESSURE RELIEF CATCH BASIN, SPPWC STD 300-4	EA	2	$62,500.00	$125,000.00
37	CURBSIDE GRATING CATCH BASIN, SPPWC STD 303-4, ONE GRATE	EA	1	$18,500.00	$18,500.00
38	CURBSIDE GRATING CATCH BASIN, SPPWC STD 303-4, FOUR GRATES	EA	1	$42,500.00	$42,500.00
39	CONCRETE BOX STORM DRAIN MANHOLE, SPPWC STD 323-2	EA	4	$14,500.00	$58,000.00
40	MANHOLE, PIPE TO PIPE 36' DIAMETER OR GREATER, SPPWC STD 320-2	EA	4	$29,500.00	$118,000.00
41	PIPE TO PIPE JUNCTION STRUCTURE PIPE ID>24", SPPWC STD 331-3	EA	1	$4,500.00	$4,500.00
42	PIPE TO PIPE JUNCTION STRUCTURE 24" DIA. MAX, SPPWC STD 332-2	EA	2	$9,500.00	$19,000.00
43	PIPE TO RCB JUNCTION STRUCTURE, SPPWC STD 333-2	EA	2	$14,500.00	$29,000.00
44	TRANSITION STRUCTURE / 5'X5'X4' VAULT WITH MANHOLE	EA	1	$39,000.00	$39,000.00
45	TRANSITION STRUCTURE - PIPE TO PIPE, SPPWC 340-2	EA	1	$32,500.00	$32,500.00
46	TRANSITION STRUCTURE - RCB TO PIPE, SPPWC 342-2	EA	1	$32,500.00	$32,500.00
47	TRANSITION STRUCTURE - RCB TO DOUBLE RCB, SPPWC 343-2	EA	2	$95,000.00	$190,000.00

48	TRANSITION STRUCTURE - DOUBLE RCB TO DOUBLE RCB, SPPWC 344-2	EA	2	$125,000.00	$250,000.00
49	CONCRETE COLLAR, SPPWC	EA	5	$7,500.00	$37,500.00
50	EXISTING UTILITY CROSSING CONDUIT SUPPORT	LS	1	$25,000.00	$25,000.00
51	TRENCH SHORING	LS	1	$145,000.00	$145,000.00
52	Remove Existing Curb Ramps	EA	18	$3,500.00	$63,000.00
53	Construct Curb Ramps (Cases as Shown on Plans)	EA	19	$6,500.00	$123,500.00
54	Construct Cross Gutter	SF	6,637	$25.00	$165,925.00
55	Construct Curb & Gutter	LF	2,150	$115.00	$247,250.00
56	Construct Type D1-8 HMA Dike	LF	1,290	$20.00	$25,800.00
57	Construct Sidewalk	SF	3,160	$35.00	$110,600.00
58	Construct AC Sidewalk	TN	161	$275.00	$44,275.00
59	Sawcut and Remove AC, Aggregate Base	SF	34,240	$7.50	$256,800.00
60	100-E-100 Slurry Mix	CY	20	$475.00	$9,500.00
61	Construct 3.5" Type B PG 70-10	TN	714	$230.00	$164,220.00
62	Crushed Aggregate Base (8 in)	CY	845	$215.00	$181,675.00
63	Construct 1-1/2" Polymer Modified Asphalt Concrete (PMAC) with 15% Reclaimed Asphalt Pavement	TN	1,849	$215.00	$397,535.00
64	AC Type B - 3/4" Mix PG 70-10	TN	896	$215.00	$192,640.00
65	Transverse Join	SF	2,400	$3.00	$7,200.00
66	Construct Local Depression	CY	21	$1,150.00	$24,150.00
67	Coldmill 2" Existing Asphalt Concrete Pavement	SF	155,380	$0.25	$38,845.00
68	Double Adjust Manholes	EA	5	$4,250.00	$21,250.00
69	Double adjust Water Valve to Grade	EA	3	$1,250.00	$3,750.00
70	Adjust to grade pullboxes, vaults	EA	3	$3,500.00	$10,500.00
71	Signing and Striping Improvement	LS	1	$55,000.00	$55,000.00
72	Traffic Signal Improvement	LS	1	$75,000.00	$75,000.00
73	Project Sign	EA	3	$1,250.00	$3,750.00
74	Storm Drain Dewatering	LS	1	$18,500.00	$18,500.00

Please note the bid submittal date and time has not changed.

for Jonathan Wu

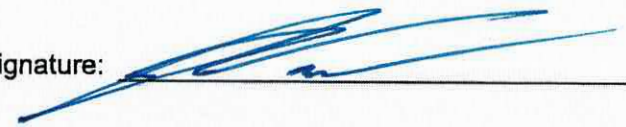
Jonathan Wu, P.E.
Deputy Director of Public Works

4/15/2022
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: 

Name: Jesus E Carrillo

Title: President

Company: CEM Construction Corp

Date: 4/17/2026

Total Bid Price in Digits: **$9,995,475.00**

Total Bid Price in Words: **Nine million nine hundred ninety-five thousand four hundred seventy-five dollars.**

☐ Cashier's check, payable to Owner

☒ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

10 % DOLLARS ($ 10% of BID Amount)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: President Date: 04/17/2026

Signature: _____ Title: _____ Date: _____

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Palmdale ("Public Agency"), has issued an Invitation for Bids for the Work described as follows: PN 796 – 45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT.

WHEREAS CEM Construction Corporation, 1412 Espanol Avenue, Montebello, CA 90640
Name and Address of Bidder

("Principal"), desires to submit a Bid to Public Agency for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and

Merchants Bonding Company (Mutual), PO Box 14498, Des Moines, IA 50306,
Name and Address of Surety

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the Public Agency in the penal sum of:

Ten Percent of Amount Bid DOLLARS ($ 10% of Amount Bid)

being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the Public Agency and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the Public Agency in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

CONTINUES ON NEXT PAGE

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: April 7th, 2026

"Principal"	"Surety"
CEM Construction Corporation	Merchants Bonding Company (Mutual)
By:	By:
Its: JESUS E CARRILLO	Its: Kerissa Ricciardi, Attorney-in-Fact
By:	By:
Its:	Its:

Note: Evidence of the authority of any person signing as attorney-in-fact must be attached. Contractor's Bonding Company to attach appropriate Notary documents and Power of Attorney

Electronic Submittal of Bid Proposals: The bid security shall be submitted as outlined below:

Cash, Cashiers/Certified Check: If Bid Security is in the form of cash or cashiers/certified check, the cash proceeds or cashiers/certified check must be submitted in a sealed envelope with the exterior **prominently** marked with: "ATTENTION PROJECT MANAGER"; the Bidder's name, Project Name and Bid/Solicitation Number to the Project Manager before the latest date/time for submitting Bid Proposals. Bid Security received thereafter may result in rejection of the Bidder's Bid Proposal for nonresponsiveness.

Electronic Bid Bond: When submitting a bid electronically, the Bid Security in the form of a Bid Bond must be submitted electronically through Surety 2000 in the form and content included with the Contract Documents and issuance of the electronic Bid Bond is verified through Surety2000 (http://www.surety2000.com/). Bidders submitting an electronic Bid Bond are solely responsible for completing Surety2000 registration requirements and payment of Surety2000 fees and charges. The City is not responsible to Bidders for: (i) Surety2000 acts or omissions; (ii) the complete/timely verification of electronically issued Bid Bonds; or (iii) any other errors in the electronically issued/verified Bid Bond.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On 04/17/2026 before me, Oscar R. Cruz, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Jesus E. Carrillo
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

OSCAR R. CRUZ
Comm. # 2508190
Los Angeles County
California - Notary Public
Comm. Expires JAN. 25, 2029
NXC1

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: City of Palmdale Bid Bond Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On April 7, 2026 before me, Jeremy Bush, Notary Public
(insert name and title of the officer)

personally appeared Kerissa Ricciardi,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Jeremy Bush (Seal)

RRS2 JEREMY BUSH COMM. # 2529817 NOTARY PUBLIC-CALIFORNIA ORANGE COUNTY MY COMM. EXP. AUG 12, 2029 RRS2

MERCHANTS BONDING COMPANY™

POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, and MERCHANTS NATIONAL INDEMNITY COMPANY , an assumed name of Merchants National Bonding, Inc., (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Charo J Rosemond; James Baldassare; John F Surano; Kerissa Ricciardi; Krista A DiMezza; Lisa M Scavetta; Michael Castaneda; Michael Dugan; Sherryanne M DePirro

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the By-Laws adopted by the Board of Directors of the Companies.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship o obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 2nd day of June , 2025 .

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS NATIONAL INDEMNITY COMPANY CALIFORNIA

MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.
MERCHANTS NATIONAL INDEMNITY COMPANY

By Larry Taylor

President

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 2nd day of June 2025 , before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.

NOTARIAL SEAL IOWA

Penni Miller
Commission Number 787952
My Commission Expires
January 20, 2027

Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 7th day of April , 2026 .

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS NATIONAL INDEMNITY COMPANY CALIFORNIA

Secretary

QUESTIONNAIRE

Fill out all the following information. Attach additional sheets if necessary.

(1) Bidder's Name: CEM Construction Corporation

(2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.

N/A

(3) Business Address: 1412 Espanol Ave, Montebello, CA 90640

(4) Telephone: 323-597-1084

(5) Type of Firm (Individual, Partnership, LLC, or Corporation): Corporation

(6) Corporation organized under the laws of the State of: California

(7) California State Contractors License Number & Class: 951234, Class: A, B, C-8, C-12, C-21, C-27

Original Date Issued: 08/16/2010 Expiration Date: 08/31/2026

(8) DIR Contractor Registration Number: 1000000805

(9) Name and title of the person(s) who inspected the Project Site for your firm:

Jesus E Carrillo, President

(10) Name and title of the person(s) who attended the mandatory pre-bid meeting for your firm, including the mandatory site visit (if any):

Gwyneth Yeung - Project Engineer

(11) Number of years' experience the company has as a contractor in construction work:

16 years

(12) Names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint venturers, and company or corporate officers having a principal interest in this bid:

Jesus Carrillo - President - 8207 Brookgreen Rd, Downey, Ca 90240 - 562-708-3586

Emigdio Carrillo - Vice President - 8207 Brookgreen Rd, Downey, Ca 90240 - 562 708-0016

(13) Current and prior D.B.A's, aliases, and fictitious business names for any principal having interest in this bid:

N/A

(14) Dates of any voluntary or involuntary bankruptcy judgements against any principal having an interest in this bid:

N/A

(15) For all arbitrations, lawsuits, settlements, and the link (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses, and telephone numbers of contact persons for the parties:

N/A

Briefly summarize the parties' claims and defenses:

N/A

b. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

(16) Has the company or any principal having an interest in this Bid ever had a contract terminated by the Owner or Agency? If yes, explain.

N/A

(17) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

N/A

(18) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

N/A

(19) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

a. By you against the Owner? Circle one: Yes (No)

b. By the Owner against you? Circle one: Yes (No)

c. By any outside agency or individual for labor compliance? Circle one: Yes (No)

d. By subcontractors? Circle one: Yes (No)

e. Are any of these claims or actions unresolved or outstanding? Circle one: Yes (No)

If your answer is "yes" to any part or parts of this question, please explain:

N/A

(20) List the last three (3) projects you have worked on or are currently working on for the City of Palmdale:

N/A

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

Company: CEM Construction Corporation

Signature: _____

Title: President

Date: 04/17/2026

Signature: _____

Title: _____

Date: _____

REFERENCES FORM

For all public agency projects more than $100,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1

Name/Number: Downtown Sewer Infrastructure Project CP 919

Project Description: The project includes removal of approximately 2,930 LF of existing sewer main and installation of approximately 5,370 LF of new 10-inch PVC SDR-35 sewer pipe and 330 LF of new 12-inch PVC SDR-35 sewer pipe. Work also includes construction of 40 new concrete sewer manholes (35 SPPWC Std. 200-4 and 5 LACSD Std. S-A-204), reconnection of existing sewer laterals, abandonment of existing sewer facilities.

Approximate Construction Dates: From: 10/2025 To: In Progress

Agency Name: City of Montebello

Contact Person: Adan Ramirez Telephone: 323-887-1462 X1487

Address: 1600 W Beverly Blvd., Montebello, CA 90640

Original Contract Amount: $ $4,474,206.50 Final Contract Amount: $ $4,474,206.50

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes No N/A

Did the Agency file any claims against you? Circle one: Yes No N/A

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 2

Name/Number: Maple Avenue Sewer Line Replacement

Project Description: installation of approximately 2,774 LF of new 12-inch PVC SDR-35 gravity sewer main, complete with trenching, temporary trench repair, permanent restoration, and video inspection. Work also includes reconnection of 10 existing sewer laterals, installation of 19 new sewer laterals, construction of ten (10) new 48-inch diameter manholes and two (2) new 60-inch diameter manholes with locking frames and covers, abandonment of existing sewer facilities and manholes

Approximate Construction Dates: From: 08/2025 To: 01/2026

Agency Name: City of Hesperia

Contact Person: Deanna Lestina Telephone: 760.947.1434

Address: 9700 Seventh Avenue Hesperia, CA 92345

Original Contract Amount: $ $1,497,320.00 Final Contract Amount: $ $1,497,320.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes No N/A

Did the Agency file any claims against you? Circle one: Yes No N/A

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 3

Name/Number: Lincoln Ave Sanitary Sewer and Street Improvements

Project Description: The project includes construction of new sewer facilities consisting of approximately 740 LF of VCP sewer pipe (12-inch, 15-inch, and 21-inch diameters) and two (2) 8-inch sewer stubs, along with six (6) new manholes, service lateral connections, sewer bypassing, CCTV inspection, and slurry backfill of abandoned sewer lines.

Approximate Construction Dates: From: 05/2023 To: 02/2024

Agency Name: City of Anaheim

Contact Person: Joel Jordan Telephone: 714-231-8368

Address: 200 S. Anaheim Blvd. Anaheim, CA 92805

Original Contract Amount: $ $1,721,945.50 Final Contract Amount: $ $1,721,945.50

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes No N/A

Did the Agency file any claims against you? Circle one: Yes No N/A

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 4

Name/Number: Magic Mountain Pipeline (MMP), Reaches 1-3, Inspection Access Modifications Project

Project Description: The project generally includes 7,500 LF clean and CCTV 42" cml&c steel pipeline, installation of nine (9) 42" x 36" access manways, 18 EA manway buttstrap, 9 EA hot-dipped galvanized torsion hinged cover, 20 EA bollards, 6 EA cathodic testing station per SCV water standard drawing.

Approximate Construction Dates: From: 02/2026 To: In Progress

Agency Name: Santa Clarita Valley Water Agency

Contact Person: Kevin Waugh Telephone: 661.812.2078

Address: 26515 Summit Cir. Santa Clarita, CA 91350-3049

Original Contract Amount: $ $4,655,600.00 Final Contract Amount: $ $4,655,600.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes No N/A

Did the Agency file any claims against you? Circle one: Yes No N/A

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 5

Name/Number: Mcbean Parkway Water Main Replacement

Project Description: This project encompasses site preparation, demolition, grading, installation of water drainage pipes, onsite paving, hardscaping, and comprehensive street improvements including irrigation.

Approximate Construction Dates: From: 02/2025 To: 08/2025

Agency Name: Santa Clarita Valley Water Agency

Contact Person: Josephine Ngoon Telephone: 661-964-3997

Address: 26515 Summit Cir. Santa Clarita, CA 91350-3049

Original Contract Amount: $ $1,247,030.00 Final Contract Amount: $ $1,247,030.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes No N/A

Did the Agency file any claims against you? Circle one: Yes No N/A

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

CEM CONSTRUCTION

1412 ESPANOL AVE
MONTEBELLO, CALIFORNIA 90640
323/597-1084 562/708-3586
Lic. # 951234

CEM STORM DRAIN PROJECT AND REFERENCE LIST

City of Laguna Beach
Address: 505 Forest Avenue Laguna Beach, CA 92651
Project Name: C.I.P. Project NO. 154 Jasmine St. Storm Drain Improvements
Description: The project includes construction of a new storm drain system consisting of approximately **2,300 LF of reinforced concrete pipe** (**18-inch and 24-inch diameters**) and **235 LF of PVC pipe** (**12-inch and 24-inch Schedule 80**), including **jack-and-bore installation with 28-inch steel casing**, manholes, junction structures, and catch basins. Work also includes curb and gutter improvements, inlet modifications, low-flow diversion system installation, surface restoration, traffic control, surveying, potholing, and full site restoration, complete per SPPWC standards and project plans.
Contract Amount: $1,688,479.00
Contact: Matthew Oxford / Mark McAvoy
Phone number: 949-497-0792 / 949-497-0711
Email: moxford@lagunabeachcity.net
Completed: 10/2022

City of Alhambra
Address: 111 South First Street Alhambra, CA 91801
Project Name: NIB N2M24-29 Rehabilitation of The Storm Drain Pipes Project On Commonwealth Ave and Grand Ave **Description:** replace existing storm drain pipe on Commonwealth Avenue and of existing storm drain pipe on Grand Avenue, and related appurtenances including repairing ADA ramps, paving and restriping.
Contract Amount: $195,875.00
Contact: Thomas Amare
Phone number: 626-300-1562, C:626-425-8477,
Email: tamare@alhambraca.gov
Completed: 11/2024

City of Diamond Bar
Address: 21810 Copley Drive Diamond Bar California 91765
Project Name: Steep Canyon Trail
Description: The contractor is responsible for furnishing all labor, tools, materials, and equipment to complete the Sycamore Canyon Park Slope/Trail Repair Project. This includes approximately 500
linear feet of RCP, substituted with HDPE.
Contract Amount: $1,099,140.00
Contact: Christian Malpica
Phone number: 909-839-7042
Email: cmalpica@diamondbarca.gov
Completed: 11/2019

City of Orange
Address: 300 E. Chapman Ave. Orange, CA 92866
Project Name: Bid No. 23-24.35; S-250; Annual Sewer Replacement/Maintenance FY 2023-2024
Description: 4200 ft remove Existing Sewer and Construct 8" VCP Sewer Main and 600ft remove Existing Sewer and Construct 10" VCP Sewer Main, Connect Sewer Lateral, Construct manholes, and 970ft construct full length Trenchless rehabilitation of existing 6" VCP Sewer Main by Cure-in-Place Pipe Liner, Construct 664 ft of 8" PVC Storm Drain Pipe and catch basin including asphalt paving and repairs to sidewalks, curbs, and gutters, and cross-gutters.
Contract Amount: $2,079,170.00
Contact: Randy Nguyen, P.E, Salvador Jordan Muñoz
Phone number: (714) 744-5531
Email: smunoz@CityofOrange.org

City of Inglewood
Address: One Manchester Boulevard Inglewood, CA 90301
Project Name: As Needed Repair Service on Sewer System (And Storm Drain)
Description: Labor, equipment, and materials for sewer and storm drain system repairs. Replacement of 4", 6", 8", 10", and 12" VCP pipe, deep excavation, saw cutting, bedding, slurry backfill, new pipe installation, and traffic management. New 12" SDR 35 storm drain pipe to catch basins.
Contract Amount: $344,250.00
Contact: Roosevelt Robison
Phone number: 310-412-5333
Email: rrobinson@cityofinglewood.org
Completed: 05/2023

City of Duarte
Address: 1600 Huntington Drive Duarte, CA 91010
Project Name: Construction of Drywell & Catch Basin at Royal Oaks Park
Description: Construction of a drywell system, which includes opening a catch basin with an ARS unit and manhole, and connecting pipes to the drywell.
Contract Amount: $73,200.00
Contact: Yessina Serra
Phone number: 626-357-7931
Email: ypaez@accessduarte.com
Completed: 07/2020

City of Santa Ana
Address: 20 Civic Center Plaza Santa Ana, CA 92701
Project Name: Raitt - Myrtle Park Project
Description: This project encompasses site preparation, demolition, grading, installation of water lines, storm drain pipe, catch basin, drop in-lets, NDS infiltration basin, paving, hardscaping, and comprehensive street improvements including irrigation, water connections and storm drain catch basin.
Contract Amount: $2,776,406.00
Contact: Ariam Veira, Sean Thomas
Phone number: 714-647-6757 / 714-647-5624
Email: aveira@santa-ana.org, sthomas5@santa-ana.org
Completed: 03/2024

City of Temple City
Address: 9701 Las Tunas Drive Temple City, CA 91780
Project Name: Primrose Park Project
Description: Project tasks include site preparation, demolition, grading, installation of water drainage pipes, infiltration basin, onsite paving, hardscaping, and other related street improvements
Contract Amount: $2,470,087.50
Contact: Okan Demirci
Phone number: 714-319-6137
Email: okan.demirci@transtech.org
Completed: 05/2022

City of Pomona
Address: 505 S. Garey Ave. Pomona, CA 91766
Project Name: Phil and Nell Soto Park
Description: Installation of PVC drain pipes of various sizes (6", 8", 12", and 15"), installation of a standard and modified catch basin, a 15"x15" Nyloplast H-10 cast iron grate and assembly, a parkway drain, and a cast basin filter insert among other improvements.
Contract Amount: $2,297,151.50
Contact: Matt Pillarz / Rene Guerrero
Phone number: 909-620-3652 / 909-620-2261
Email: Matt_Pilarz@ci.pomona.ca.us
Completed: 04/2020

Morley Builders
Project Name: Thatcher Yard Project (No. 2106004)
Description: Installation of 4” and 6” PVC C-900 Water Line, point of connection, backflow preventer, lateral line in public right-of-way, 4” and 6” C900 Fire water line, double check valve, and fire connection, new storm drain catch basins and trench drains, cistern tank and mechanical skid pad, CDS unit and storm drain inlets, new 4 new 6” VCP sewer lateral connection and new sewer manhole.
Contract Amount: $1,472,732.00
Contact: Brittany Dziubek,
Phone number: 310-382-8463
Email: BDziubek@morleybuilders.com
Completed: 09/2024

Morley Builders
Project Name: 832-837 Cahuenga Project (No.2006005)
Description: Installation of PVC C-900 Water Line, point of connection, backflow preventer, lateral line in public right-of-way, C900 Fire water line, double check valve, and fire connection, new storm drain
catch basins and trench drains, cistern tank and mechanical skid pad, CDS unit and storm drain
inlets, new 6" VCP sewer lateral connection.
Contract Amount: $487,064.00
Contact: Craig Babington
Phone number: 310-384-8494
Email: cbabington@morleybuilders.com
Completed: 04/2024

Rockwood Construction
Project Name: Wet Utilities - Perris March Plaza
Description: 4", 6", 8" C900 water mains for domestic and fire service, double-check valves, hot tapping to 36" main line, fire hydrants, and backflow preventers. New 8" SDR 35 sewer pipes and 48"
sanitary sewer manholes, 30" RCP outlets to flood control, 30" HDPE pipe storm drain, catch basins, storm drain structures, and an infiltration pit.
Contract Amount: $1,100,000
Contact: Alex Sanchez
Phone number: 949-423-4784
Email: asanchez@rockwoodconstruction.com
Completed: 2020

CEM CONSTRUCTION

1412 ESPANOL AVE
MONTEBELLO, CALIFORNIA 90640
323/597-1084 562/708-3586
Lic. # 951234

CEM SEWER PROJECT AND REFERENCE LIST

City of Montebello
Project Name: Downtown Sewer Infrastructure Project CP 919
Description: The project includes removal of approximately **2,930 LF of existing sewer main** and installation of approximately **5,370 LF of new 10-inch PVC SDR-35 sewer pipe** and **330 LF of new 12-inch PVC SDR-35 sewer pipe**. Work also includes construction of 40 new concrete sewer manholes (35 SPPWC Std. 200-4 and 5 LACSD Std. S-A-204), reconnection of existing sewer laterals, abandonment of existing sewer facilities, and full trench and roadway restoration, complete per plans and specifications
Contract Amount: $4,474,206.50
Contact: Adan Ramirez
Phone number: 323-887-1462 X1487
Email: Aramirez@MontebelloCA.gov
Completed: In Progress

City of Maywood
Owner Address: 4319 E. Slauson Ave, Maywood, CA-90270
Project Name: 52nd Street/52nd Place Sewer Improvement
Description: The project includes removal of approximately **1,340 LF of existing 8-inch VCP sewer** and installation of approximately **1,340 LF of new 10-inch diameter Extra Strength VCP sewer** main. Work also includes construction of five (5) new 48-inch diameter precast concrete sewer manholes, reconnection of existing service laterals, sewer bypass operations, and full trench and pavement restoration, complete per plans and specifications
Contract Amount: $696,567.00
Contact: Miguel Leon
Phone number: 323-562-5714
Email: miguel.leon@cityofmaywood.org
Completed: 02/2026 – In Progress for close out

City of Hesperia
Owner Address: 9700 Seventh Ave, Hesperia, CA-92345
Project Name: Maple Avenue Sewer Line Replacement
Description: The project includes installation of approximately **2,774 LF of new 12-inch PVC SDR-35 gravity sewer main**, complete with trenching, temporary trench repair, permanent restoration, and video inspection. Work also includes reconnection of 10 existing sewer laterals, installation of 19 new sewer laterals, construction of ten (10) new 48-inch diameter manholes and two (2) new 60-inch diameter manholes with locking frames and covers, abandonment of existing sewer facilities and manholes, traffic control, stormwater compliance, and full project restoration, complete per plans
Contract Amount: $1,497,320.00
Contact: Deanna Lestina
Phone number: 760.947.1434
Email: dlestina@hesperiaca.gov
Completed: 01/2026 - In Progress for close out

City of Anaheim
Owner Address: City of Anaheim 200 S. Anaheim Blvd. Anaheim, CA 92805
Project Name: Lincoln Ave Sanitary Sewer and Street Improvements
Description: The project includes construction of new sewer facilities consisting of approximately **740 LF of VCP sewer pipe** (**12-inch, 15-inch, and 21-inch diameters**) and **two (2) 8-inch sewer stubs**, along with **six (6) new manholes**, service lateral connections, sewer bypassing, CCTV inspection, and slurry backfill of abandoned sewer lines. Work also includes pavement milling and resurfacing, concrete curb, gutter, sidewalk and driveway reconstruction, traffic control and striping, utility adjustments, and full restoration, complete per City of Anaheim standards and project specifications.
Contract Amount: $1,721,945.50
Contact: Joel Jordan
Phone number: 714-231-8368
Email: JJordan@anaheim.net
Completed: 05/2024

City of Anaheim
Owner Address: City of Anaheim 200 S. Anaheim Blvd. Anaheim, CA 92805
Project Name: North Vine Street Sanitary Sewer Improvements
Description: The project includes removal of approximately **1,350 LF of existing sewer** and construction of approximately **535 LF of new 8-inch VCP sewer main** and **795 LF of new 12-inch VCP sewer main**, including **seven (7) new 48-inch I.D. sewer manholes**, sewer bypassing, CCTV inspection, and reconnection of **43 existing service laterals**. Work also includes storm drain modifications, curb and gutter improvements, asphalt paving and slurry seal, traffic control, dewatering, and full site restoration, complete per City of Anaheim standards and project specifications.
Contract Amount: $1,048,898.00
Contact: Joel Jordan
Phone number: 714-231-8368
Email: JJordan@anaheim.net
Completed: 05/2023

City of Orange
Address: 300 E. Chapman Ave. Orange, CA 92866
Project Name: Bid No. 23-24.35; S-250; Annual Sewer Replacement/Maintenance FY 2023-2024
Description: 4200 ft remove Existing Sewer and Construct 8" VCP Sewer Main and 600ft remove Existing Sewer and Construct 10" VCP Sewer Main, Connect Sewer Lateral, Construct manholes, and 970ft construct full length Trenchless rehabilitation of existing 6" VCP Sewer Main by Cure-in-Place Pipe Liner, Construct 664ft of 8" PVC Storm Drain Pipe and catch basin including asphalt paving and repairs to sidewalks, curbs, and gutters, and cross-gutters.
Contract Amount: $2,079,170.00
Contact: Randy Nguyen, P.E, Salvador Jordan Muñoz
Phone number: (714) 744-5531
Email: smunoz@CityofOrange.org

City of Redlands
Project Name: 2022 Cip Sewer Pipeline Replacement Project No. 521029
Description: The project includes removal and replacement of approximately **9,656 LF of 8-inch**, **159 LF of 10-inch**, and **325 LF of 12-inch SDR-35 PVC sewer main**, along with reconnection of approximately **328 service laterals**. Work also includes **trenchless rehabilitation (CIPP) of approximately 12,672 LF of existing sewer pipe (8-inch to 12-inch)** with lateral reinstatement, spot repairs, flow bypass, testing, traffic control, and full mobilization and demobilization, complete per plans and specifications.
Contract Amount: $2,799,567
Contact: Johana Silva, E.I.T.
Phone number: 909.798.7584 Ext. 7
Email: jsilva@cityofredlands.org
Completed: 04/21/2024

City of Inglewood
Owner Address: One Manchester Boulevard Inglewood, CA 90301
Project Name: As Needed Repair Service on Sewer System
Description: Labor, equipment, and materials for sewer and storm drain system repairs. Replacement of 4", 6", 8", 10", and 12" VCP pipe, deep excavation, saw cutting, bedding, slurry backfill, new pipe installation, and traffic management. New 12" SDR 35 storm drain pipe to catch basins.
Contract Amount: $344,250.00
Contact: Roosevelt Robinson
Phone number: 310-259-9969
Email: rrobinson@cityofinglewood.org
Completed: 05/2023

City of Long Beach Public Works Department
Owner Address: 1841 E 33rd St Long Beach, California 90807
Project Name: Sewer Lateral Pilot Project
Description: Removal and replacement of sewer, rehabilitation of existing sewer pipes, and associated street restoration.
Contract Amount: $550,225.00
Contact: Valeri Karakanov,
Phone number: 562-570-2331
Email: Valeri.Karakanov@lbwater.org
Completed: 09/2022

City of Laguna Beach
Address: 505 Forest Avenue Laguna Beach, CA 92651
Project Name: C.I.P. Project NO. 154 Jasmine St. Storm Drain Improvements
Description: The project includes construction of a new storm drain system consisting of approximately 2,300 LF of reinforced concrete pipe (18-inch and 24-inch diameters) and 235 LF of PVC pipe (12-inch and 24-inch Schedule 80), including jack-and-bore installation with 28-inch steel casing, manholes, junction structures, and catch basins. Work also includes curb and gutter improvements, inlet modifications, low-flow diversion system installation, surface restoration, traffic control, surveying, potholing, and full site restoration, complete per SPPWC standards and project plans.
Contract Amount: $1,688,479.00
Contact: Matthew Oxford / Mark McAvoy
Phone number: 949-497-0792 / 949-497-0711
Email: moxford@lagunabeachcity.net
Completed: 10/2022

Rockwood Construction
Project Name: Wet Utilities - Perris March Plaza
Description: 4”, 6”, 8” C900 water mains for domestic and fire service, double-check valves, hot tapping to 36” main line, fire hydrants, and backflow preventers. New 8” SDR 35 sewer pipes and 48”
sanitary sewer manholes, 30” RCP outlets to flood control, 30" HDPE pipe storm drain, catch basins, storm drain structures, and an infiltration pit.
Contract Amount: $1,100,000
Contact: Alex Sanchez
Phone number: 949-423-4784
Email: asanchez@rockwoodconstruction.com
Completed: 09/2020

Morley Builders
Project Name: Thatcher Yard Project (No. 2106004)
Description: Installation of 4” and 6” PVC C-900 Water Line, point of connection, backflow preventer, lateral line in public right-of-way, 4” and 6” C900 Fire water line, double check valve, and fire
connection, new storm drain catch basins and trench drains, cistern tank and mechanical skid pad,
CDS unit and storm drain inlets, new 4 new 6” VCP sewer lateral connection and new sewer
manhole.
Contract Amount: $1,472,732.00
Contact: Brittany Dziubek,
Phone number: 310-382-8463
Email: BDziubek@morleybuilders.com
Completed: 09/2024

Morley Builders
Project Name: 832-837 Cahuenga Project (No.2006005)
Description: Installation of PVC C-900 Water Line, point of connection, backflow preventer, lateral line in public right-of-way, C900 Fire water line, double check valve, and fire connection, new storm drain
catch basins and trench drains, cistern tank and mechanical skid pad, CDS unit and storm drain
inlets, new 6” VCP sewer lateral connection.
Contract Amount: $487,064.00
Contact: Craig Babington
Phone number: 310-384-8494
Email: cbabington@morleybuilders.com
Completed: 04/2024

RESUME

Attach to this Bid the experience resume of the person who will be designated as the General Construction Superintendent or on-site Construction Manager for the Project.

Oscar Liu ,M.S
Jurupa Valley, CA 92509
Email: OscarL@cem-construction.com
Phone: (573) 466-1903

Education:

MS of Industrial Engineering
University of Southern California (Jan 2022 – May 2023)

- Courses that I have taken: Lean Manufacturing, System Engineering Theory and Practice, Engineering Project Management, Leading and Managing Engineering Team, Innovative design, Technology Development and Implementation, Strategic Management of Technology, Advanced Production Planning and Schedule.

BSc of Engineering Management
Missouri University of Science and Technology, August 2018 – Dec 2021.

- Extensive cross-disciplinary coursework including materials engineering, operations management, supply chain systems, marketing, finance and accounting, and stats.
- Accepted Conference paper at the 6th North American Conference on Industrial Engineering & operation Management. Attended the conference on Nov 3-5, 2021
- National Honor Society for Engineering Management, Epsilon Mu Eta- Member

Certifications and Skills:

- Fluent in spoken and written English, Cantonese and Mandarin
- First Aid Certified
- OSHA 30
- Confined Space Training – Competent Person
- Trench & Excavating – Competent Person
- CIPP Certified
- CA Anti-Harassment Prevention

Experience:

CEM Construction Corporation (Project Manager), Jan 2025 to Present

- The Project manager oversee daily construction operations, interpret plans and specifications across multiple in-house trades, and evaluate submittals and RFIs to support construction progress and resolve design or field-related issues. The role also involves working closely with CEM Construction crews, and subcontractors to ensure the project is completed on time and meets quality standards.

Big Ben Engineering (Project Engineer), August 2024 to January 2025

- Study and review project plans and specification
- Develop any RFI from preliminary study of project plans and specification. Creation of RFI documents through the project as needed and Create and maintain RFI document log.
- Prepare submittals for all items

CEM Construction Corporation (Project Engineer), June 2023 to August 2024

- Responsible for managing the construction day to day operation, reading Plans and specifications and evaluation of submittals and RFI's to support construction activities and resolution of design and field issues.
- Develop project schedule and sequence.
- Project cost review and suggest options on construction means, methods and equipment.

Thompson Pipe Group (Project Engineer), Rialto, Sep 2022 to November 2022

- I have provided technical support to the Contractor mainly. At TPG I would offer the best value engineering to the clients to help them determining which product is the best for their project.

- The mainly duties are below:
    - Pricing and quoting
    - Project Management, In-House Inventories management, CRM Database Management, Agile Management.

Project 2023

Project Name: Lincoln Ave Sewer & Street Improvement
Project Owner: City of Anaheim
Owners Address: City of Anaheim
Contact Name: Joel Jordan
Contact Phone: (714) 765-5052
Contract Amount: $1,710,045.50

Project Name: Anabel-Woodbury Water Improvement Project
Project Owner: City of Garden Grove
Owners Address: City of Garden Grove
Contact Name: Jessica Polidori
Contact Phone: (714) 741-5349
Contract Amount: $2,097,545.00

Project Name: 2022 CIP Sewer Pipeline Replacement Project
Project Owner: City of Redlands
Owners Address: City of Redlands
Contact Name: Goutam K. Dobey
Contact Phone: (909) 798-7584
Contract Amount: $3,314,268.00

Project 2024

Project Name: Annual Pipeline Renewal Project
Project Owner: City of Orange
Owners Address: City of Orange
Contact Name: Chrisopher Mielke
Contact Phone: (714) 288 - 2487
Contract Amount: $2,547,770.00

Project Name: 10" Waterline Replacement Marengo Ave Grand Ave To Alhambra Road Project
Project Owner: City of Alhambra
Owners Address: City of Alhambra
Contact Name: Thomas Amare
Contact Phone: (626) 300 - 1562
Contract Amount: $659.105.00

Project Name: S-250 Annual Sewer Replacement/Maintenance FY23-24
Project Owner: City of Orange
Owners Address: City of Orange
Contact Name: Randy Nguyen
Contact Phone: (714) 744 - 5531
Contract Amount: $2,954,350.00

Project Name: Rehabilitation of the Storm Drain Pipes On Commonwealth Avenue And Grand Avenue
Project Owner: City of Alhambra

Owners Address: City of Alhambra
Contact Name: Thomas Amare
Contact Phone: (626) 300 - 1562
Contract Amount: $195,875.00

Project Name: Rehabilitation of the Storm Drain Pipes On Commonwealth Avenue And Grand Avenue
Project Owner: Crocker Apartment
Contact Name: Benchmark Contractor, Inc.
Contact Phone: (310) 399 - 1600
Contact Phone: (310) 399-1600
Contract Amount: $238,500.00

Project 2025

Project Name: 22-018 Whittier Blvd at Painter Water Main Replacement Project
Project Owner: City of Whittier
Owners Address: City of Whittier
Contact Name: Lucilla Martinez
Contact Phone: (562) 567 - 9527
Contract Amount: $635,000.00

Project Name: Backcountry Pump Station Pipeline Project
Project Owner: Santa Clarita Valley Water Agency
Owners Address: Santa Clarita Valley Water Agency
Contact Name: Kevin Waugh
Contact Phone: (661) 513 - 1263
Contract Amount: $2,952,855.00

Project Name: Mcbean Parkway Water Main Replacement Project
Project Owner: Santa Clarita Valley Water Agency
Owners Address: Santa Clarita Valley Water Agency
Contact Name: Josephine Ngoon
Contact Phone: (661) 964 - 3997
Contract Amount: $1,247,030.00

Project Name: Moreno Valley City Hall Annex #1 Water Meter/Service Connection
Project Owner: City of Moreno Valley
Owners Address: City of Moreno Valley
Contact Name: Ricky Carrillo
Contact Phone: (951) 413 - 3107
Contract Amount: $340,975.00

Project Name: HHH New Hampshire Project #2406008
Project Owner: Bridge New Hampshire, LP
Owners Address: 5210 W. Goldleaf Circle, Lost Angeles, CA 90056
Contact Name: Benchmark Contractor, Inc.
Contact Phone: (310) 399 - 1600
Contract Amount: $396,325.00

Jesus Eduardo Carrillo, M.S., P.E.

Whittier, CA 90640
Cell: (562) 708-3586 E-Mail: eddiec@cem-construction.com

ACHIEVEMENT: Registered Professional Engineer (Lic # C77737)

EDUCATION:

Master of Science in Civil Engineering 2008 - 2009
University of California, Los Ángeles Los Angeles, CA
Focus Sequences: Structural/Earthquake Engineering

Bachelor of Science in Civil Engineering 2004 - 2008
California State Polytechnic University Pomona Pomona, CA
Emphasis: Structural Engineering

Associate of Science in Construction Technology 2003-2004
Don Bosco Technical Institute Rosemead, CA
Emphasis: Construction

EXPERIENCE:

Project Engineer March 2010 – **Present**
CEM Construction Corp Montebello, CA

Project Engineer April 2011 – April 2014
Castillo Engineering, Inc. Long Beach, CA

- Designed Multi-residential (multi-floor wood shear walls over concrete podium deck), commercial (cmu walls/moment frames with truss roof system), industrial (concrete tilt-up with flexible diaphragm) and custom residential (hillside and beach side).
- Responsible for structural design (calculations) and structural drawings and specifications

Projects 2020

Project Name: Irwindale Park Phase III
Project Owner: City Of Irwindale
Owners Address: 5050 Irwindale Ave Irwindale, CA 91706
Contact name: Daniel Co, P.E.
Contact Phone: (626) 848-4670
Contract amount: $ 1,137,772

Project Name: 2020 – City Hall Remodel
Project Owner: City of Covina
Owners Address: 125 E Collage St Covina, CA 91723
Contact name: Mr. Rafael M. Fajardo P.E.
Contact Phone: 626-858-7294
Contract amount: $ 108,605

Project Name: Construction of Drywell and Catch Basin at Royal Oaks Park
Project Owner: City of Duarte
Owners Address: 1600 Huntington Drive, CA 91010
Contact name: Yessina Serra Development Technician
Contact Phone: 626-357-7931 Ext 262
Contract amount: $ 75,000

Projects 2019

Project Name: Phil and Nell Soto Park Construction Project No. 428-2590-71040
Project Owner: City of Pomona
Owners Address: 505 S Garey Ave, Pomona, CA 91766
Contact name: Matt Pillarz, Senior Civil Engineer
Contact Phone: (909) 620-3652
Contract amount: $2,297,151.50

Project Name: Baldwin Park – Walnut Creek Nature Park
Project Owner: City of Baldwin Park
Owners Address: 14403 E. Pacific Avenue, Baldwin Park, CA 91706
Contact name: David Lopez
Contact Phone: (626) 960-4011
Contract amount: $ 893,010

Project Name: Diamond Bar - Sycamore Canyon Park
Project Owner: City of Diamond Bar
Owners Address: 21810 Copley Drive Diamond Bar California 91765
Contact name: Nasar Abbaszadeh
Contact Phone: (909) 839-7000
Contract amount: $1,090,546.00

Project Name: Construction Contract for Project 16-6862 Cabrillo Park Sidewalk Improvements
Project Owner: City of Santa Ana
Owners Address: City Hall Ross Annex, 3rd Floor 20 Civic Center Plaza Santa Ana, CA 92701
Contact name: Victor So, P.E. Project Coordinator
Contact Phone: 714-647-5076
Contract amount: $373,000

Project Name: Baldwin Park – Walnut Creek Nature Park
Project Owner: City of Baldwin Park
Owners Address: 14403 E. Pacific Avenue, Baldwin Park, CA 91706
Contact name: David Lopez
Contact Phone: (626) 960-4011
Contract amount: $ 893,010

Projects 2018

Project Name: Treder Park Restroom Renovation
Project Owner: City of Bell
Address: 6250 Pine Avenue, Bell, CA 90201
Contact name: Dahi Kim
Contact Phone: 323-588-6211
Contract amount: $171,250

Project Name: 2017 Sibrie Park Improvement Project
Project Owner: City of Compton
Address: 1300 West El Segundo Compton, CA 90220
Contact name: Marvin Hunt
Contact Phone: (310) 761-1448
Contract amount: $815,445
Final Adjusted Contract Price: $878,196.17

Projects 2017

Project Name: Center Park Improvement Project
Project Owner: City of Inglewood
Address: 111th Place, City of Inglewood, CA 90303
Contact name: Boytrese Osias, Senior Engineer
Contact Phone: 310-412-5333
Contract amount: $1,398,585.00
Final Adjusted Contract Price: $1,518,655.75

Project Name: Steep Cayon and Pantera Dr Park Trail
Project Owner: City of Diamond Bar
Address: 21810 Copley Drive
Project Address: Diamond Bar CA 91765
Contact name: John Beshay
Contact Phone: 909-376-0794
Contract amount: $471,340.75
Final Adjusted Contract Price: $481,495.75

Projects 2016

Project Name: Zacatecas Park
Project Owner: City of Azusa
Address: 213 E. Foothill Blvd Azusa, CA 91702
Project Address: Zacatecas Park
Contact name: Christina Curiel
Contact Phone: 626-812-5247
Contract amount: $69,270.00
Final Adjusted Contract Price: $76,150.00

Project Name: Broadous HS
Project Owner: LAUSD
Address: 333 S. Beaudry Ave., 21st Floor Los Angeles, CA 90017
Project Address: 12561 Filmore St Pacoima CA 91331
Contact name: Norm Myers
Contact Phone: 818-394-2463
Contract amount: $67,305.00
Final Adjusted Contract Price: $67,305.00

Projects 2015

Project Name: Construction and Repair of Sidewalk at Various Locations
Project Owner: City of West Covina
Address: 1444 W Garvey Ave S, West Covina, CA 91790
Project Address: various locations
Contact name: Kun Chung
Contact Phone: 626-939-8733
Contract amount: $65,897.00

Project Name: Misc. Concrete Repairs
Project Owner: City of La Canada Flintridge
Address: 1327 Foothill Blvd La Canada Flintridge, CA
Contact Name: Kris Markarian P: 818 790-8882
Original Contract Duration: 30 calendar days
Actual Project Completion duration: 05/01/15
Original Contract price: $69,700.00
Final Adjusted Contract Price: $99,857.00

Project Name: City of Bell - Curb and Ramps Project
Project Owner: City of Bell
Address: 5330 Pine Ave Bell CA
Contact Name: Kevin Ko P: 323-588-6211
Original Contract Duration: 05/19/15
Actual Project Completion duration
Original Contract price: S199,050.00
Final Adjusted Contract price: $207,657.00

Project Name: Rosemead Community Recreation Center Facade Improvement Project
Project Owner: City Of Rosemead
Address: 8838 Valley Blvd, Rosemead, CA 91770
Contact Name: Rafael Fajardo P: 626-569-2151
Contract price: $1,475,750

Emigdio Carrillo Jr., M.S., P.E.

Downey, CA 90240
Cell: (562) 708-708-0016 E-Mail: emigdioc@cem-construction.com

Contract Award, Negotiations, Estimating, Inspection and Management of Project

ACHIEVEMENT: - Registered Professional Engineer (Lic # 81234)

EDUCATION:

Master of Science in Civil Engineering 2009 - 2010
University of California, Los Angeles Los Angeles, CA
Focus Sequences: Structural/Earthquake Engineering

Bachelor of Science in Civil Engineering 2006 - 2009
California State Polytechnic University Pomona Pomona, CA
Emphasis: Structural Engineering

EXPERIENCE:

Project Engineer March 2010 **– Present**
CEM Construction Corp Montebello, CA

Civil Engineer July 2008 – March 2015
United States Army Corps of Engineers – Construction Division South El Monte, C

CERTIFICATIONS/TRAINING

- Competent Person's Certification
- First Aid Certified
- OSHA 10
- OSHA 30
- Confines Space Training - Competent Person
- Trenching & Excavating - Competent Person
- CIPP Certified
- CA Anti-Harassment Prevention

Projects 2021 –

Project Name: Primrose Park
Project Owner: City of Temple City
Owners Address: Primrose Park
Contact name: Okan Demirci, PE, QSD/P
Contact Phone: (714) 319-6137
Contract amount: $ 2,400,000

Project Name: Jasmine Storm Drain
Project Owner: City of Laguna Beach
Owners Address: Laguna Beach
Contact name: Matthew Oxford
Contact Phone: (949) 497-0792
Contract amount: $ 1,500,000

Project Name: Perris March Plaza – Utilities
Project Owner: Rockwood Construction
Owners Address: Perris, CA
Contact name: Alex Sanchez
Contact Phone: 949 -423-4784
Contract amount: $ 1,100,000

Projects 2020

Project Name: Irwindale Park Phase III
Project Owner: City of Irwindale
Owners Address: 5050 Irwindale Ave Irwindale, CA 91706
Contact name: Daniel Co, P.E.
Contact Phone: (626) 848-4670
Contract amount: $ 1,137,772

Project Name: 2020 – City Hall Remodel
Project Owner: City of Covina
Owners Address: 125 E Collage St Covina, CA 91723
Contact name: Mr. Rafael M. Fajardo P.E.
Contact Phone: 626-858-7294
Contract amount: $ 108,605

Project Name: Construction of Drywell and Catch Basin at Royal Oaks Park
Project Owner: City of Duarte
Owners Address: 1600 Huntington Drive, CA 91010
Contact name: Yessina Serra Development Technician
Contact Phone: 626-357-7931 Ext 262
Contract amount: $ 75,000

Projects 2019

Project Name: Phil and Nell Soto Park Construction Project No. 428-2590-71040
Project Owner: City of Pomona
Owners Address: 505 S Garey Ave, Pomona, CA 91766
Contact name: Matt Pillarz, Senior Civil Engineer
Contact Phone: (909) 620-3652
Contract amount: $2,297,151.50

Project Name: Baldwin Park – Walnut Creek Nature Park
Project Owner: City of Baldwin Park
Owners Address: 14403 E. Pacific Avenue, Baldwin Park, CA 91706
Contact name: David Lopez
Contact Phone: (626) 960-4011
Contract amount: $ 893,010

Project Name: Diamond Bar - Sycamore Canyon park
Project Owner: City of Diamond Bar
Owners Address: 21810 Copley Drive Diamond Bar California 91765
Contact name: Nasar Abbaszadeh
Contact Phone: (909) 839-7000
Contract amount: $1,090,546.00

Project Name: Construction Contract for Project 16-6862 Cabrillo Park Sidewalk Improvements
Project Owner: City of Santa Ana
Owners Address: City Hall Ross Annex, 3rd Floor 20 Civic Center Plaza Santa Ana, CA 92701
Contact name: Victor So, P.E. Project Coordinator
Contact Phone: 714-647-5076
Contract amount: $373,000

Project Name: Baldwin Park – Walnut Creek Nature Park
Project Owner: City of Baldwin Park
Owners Address: 14403 E. Pacific Avenue, Baldwin Park, CA 91706
Contact name: David Lopez
Contact Phone: (626) 960-4011
Contract amount: $ 893,010

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Contact name: John Beshay
Contact Phone: 909-376-0794
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Project Address: Zacatecas Park
Contact name: Christina Curiel
Contact Phone: 626-812-5247

Contract amount: $69,270.00
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Project Address: 12561 Filmore St Pacoima CA 91331
Contact name: Norm Myers
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Project Address: various locations
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Original Contract price: $69,700.00
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Project Owner: City Of Rosemead
Address: 8838 Valley Blvd, Rosemead, CA 91770
Contact Name: Rafael Fajardo P: 626-569-2151
Contract price: $1,475,750

DESIGNATION OF SUBCONTRACTORS
[Public Contract Code Section 4104]

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or $10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors. Contractor is required to fill out this table fully to be in compliance with the bid.

Name under which Subcontractor is licensed and registered	CSLB License Number(s) & Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)1
Pipe Tec	A-987784	DIR# 100006547	5103 Elton Street, Baldwin Park, CA 91706 Phone (626) 338-1434	CCTV Inspection	0.15%
Manhole Builders, Inc	C-42, 831892	DIR #1000012259	11762 De Palma Rd., Ste 1-C PMB 234 Corona CA 92883 Phone (951) 681-0601	Manhole	0.59%
HARDY & HARPER INC	A, C-8, C12, 215952	DIR #1000000076	32 RANCHO CIRCLE LAKE FOREST, CA 92630 Phone :(714) 444-1851	Coldmil	8.75%
CAT TRACKING INC	A, B, C-8, C12, C32, C31 991122	DIR #1000011750	17 COMMERCIAL AVE RIVERSIDE, CA 92507 Phone :(951) 682-1494	Striping	0.16%
On Point Land Surveying, Inc.	LS 8133	DIR # 1000003100	1906 Orange Tree Lane Suite 240 Redlands, Ca 92374 Phone: (909) 792-2221	Survey	0.42%
J&A Structures, Inc.	A - 1042551	DIR # 1000999658	1499 Pomona Rd Corona, CA 92882 (951) 393-0130	Concrete, Catch Basin, Junction Structure	5.63%
CALIFORNIA PROFESSIONAL ENGINEERING, INC.	A, C-10, C-20 -793907	DIR #1000377609	19062 San Jose Avenue, La Puente, CA 91748 (626) 810-1338	Traffic Signal	0.29%

[1]The percentage of the total Bid shall represent the "portion of work" for the purposed of Public Contract Code Section 4104(b).

INDUSTRIAL SAFETY RECORD FORM

Bidder's Name: CEM Construction Corporation

	Current Year of Record	2025	2024	2023	2022	2021	Total
Number of contracts	2	6	9	6	6	9	38
Total dollar amount of contracts[1]	$350,000	10 Mil	9.5mil	6 Mil	8.2 Mil	5.1 mil	39,150,000
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	0	0	0	0	0	0	0
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	0	0	0	0

[1] *In thousands of dollars*

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: _____ Title: President Date: 04/17/26

Signature: _____ Title: _____ Date: _____

BIDDER'S ACKNOWLEDGMENT OF CWA REQUIREMENTS

ONLY APPLICABLE FOR PROJECTS OVER $250,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE COMMUNITY WORKFORCE AGREEMENT AND AGREES TO COMPLY WITH ALL THE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the City of Palmdale's Community Workforce Agreement.

Signature: _____ Title: President Date: 04/17/2026

Signature: _____ Title: _____ Date: _____

BIDDER'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ LIABILITY INSURANCE REQUIREMENTS OF SECTION 5-4.2 OF THE GENERAL PROVISIONS AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE BIDDER TO OBTAIN THE REQUIRED LIABILITY INSURANCE AFTER THE AWARD OF CONTRACT MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the Liability Insurance as required under Section 5-4.2 of the General Provisions.

Signature: _____ Title: President Date: 04/17/2026

Signature: _____ Title: _____ Date: _____

NONCOLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the President (Title) of CEM Construction Corporation (Firm), the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 04/17/2026 (Date), at Montebello, CA (City, State)

Signature: _____

Printed Name: Jesus E Carrillo

Date: 04/17/2026

BIDDER'S CERTIFICATE OF NON-DISCRIMINATION

Each bidder must submit with the Proposal a fully executed Bidder's Certificate of Non-Discrimination by Contractors. Bids will not be considered unless accompanied by the completed Certificate.

As a supplier of labor, materials, supplies, goods or services to the Owner, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

The undersigned agrees specifically:

1. To establish and observe employment policies which affirmatively promote opportunities for minority persons at all job levels.

2. To communicate such policies to all persons concerned, including all firm employees, outside recruiting services, especially those serving minority communities, and the minority communities at large.

3. To take affirmative steps to hire minority employees within the firm.

CEM Construction Corporation
Firm Name of Bidder

By: _____
Signature of Authorized Officer

President
Title of Officer

Date: 04/17/2026

Please include any additional information available regarding equal opportunity employment programs now in effect within your firm:

N/A

BIDDER'S ACKNOWLEDGING PENAL AND CIVIL PENALTIES CONCERNING THE CONTRACTORS' LICENSING LAWS

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code Section 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.
(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars ($4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both. In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, the price of the contract for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13 inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposed of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code Section 20103.5

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of prequalification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

License No: 951234

Class: A, B, C-8, C-12, C-21, C-27

Expiration: 08/31/2026

CEM Construction Corporation

Firm Name of Bidder

By: 

Signature of Authorized Officer

President

Title of Officer

Date: 04/17/2026

ELECTRICAL SAFETY POLICY – IMPLEMENTATION PLAN

ONLY APPLICABLE FOR PROJECTS OVER $500,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

PROJECT NAME:	45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT	PROJECT NO:	796

THE CONTRACTOR ACKNOWLEDGES THAT HE/SHE HAS READ THE ELECTRICAL SAFETY POLICY ADOPTED BY CITY OF PALMDALE RESOLUTION NO. CC 2007-249, ON NOVEMBER 7, 2007, AND AGREES TO IMPLEMENT ITS PROVISIONS. THE CONTRACTOR ATTESTS THAT IT'S ELECTRICAL WORKFORCE, INCLUDING SUBCONTRACTORS, SHALL COMPLY WITH THE FOLLOWING PROVISIONS IN ACCORDANCE WITH THE ELECTRICAL SAFETY POLICY:

1.	All electricians on the project shall be certified by the California Division of Apprenticeship Standards pursuant to California Labor Code Section 3099, unless the electrician is a registered apprentice performing electrical work as part of an apprenticeship program approved by the Chief of the California Division of Apprenticeship Standards, a federal Bureau of Apprenticeship Training program, or a state apprenticeship program authorized by the federal Bureau of Apprenticeship Training, or unless the electrician has fulfilled the requirements under Section 3099.4(a) of the California Labor Code in order to acquire the necessary on-the-job experience for certification.
2.	All jobsite journeyman level and apprentice electricians on the project must be OSHA 10-hour General Construction Industry Safety & Health Certified.
3.	All jobsite journeyman level electricians on the project must be OSHA 30-hour General Construction Industry Safety & Health Certified.
4.	All jobsite journeyman level and apprentice electricians on the project must be trained and certified in first aid and cardiopulmonary resuscitation (CPR) - Such training shall be equal to or exceed that offered by the American Red Cross.
5.	Electrical work performed on traffic signals, lighted signage, landscape irrigation systems and communication systems shall be exempt from the above provisions.

FAILURE TO FULLY IMPLEMENT AND MONITOR THE ELECTRICAL SAFETY POLICY MAY RESULT IN AN ASSESSMENT OF PENALTIES AND/OR POSSIBLE SANCTIONS AGAINST THE CONTRACTOR.

Distribution:

- *Contractor*
- *Project File*
- *Inspector/Observer*
- *Labor Compliance*

As the contractor's representative, I understand and agree to comply with all provisions of the subject Electrical Safety Policy.

Signature

04/17/2026
Date

CEM CONSTRUCTION

1412 ESPANOL AVE
MONTEBELLO, CALIFORNIA 90640
323/597-1084 562/708-3586
Lic. # 951234

April 20, 2026

ATTENTION: City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550

Letter of Assent

To whom it may concern:

This is to confirm that CEM Construction Corporation agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective May 20, 2019, 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 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.

Respectfully,

Eduardo J. Carrillo, President

CEM CONSTRUCTION

Contractor's State License No: 951234
Project: 45th Street East Sewer, Storm Drain and Street Improvements Project

CITY OF PALMDALE
PN 796 45TH STREET EAST SEWER, STORM DRAIN AND STREET IMPROVEMENTS PROJECT
APRIL 15, 2026
ADDENDUM NO. 2

1. This Addendum No. 2 forms a part of the Bidding and Contract Documents and modifies the BID SHEET for the City of Palmdale's PN 796 45th Street East Sewer, Storm Drain and Street Improvements Project. Bidders must acknowledge receipt of this Addendum No. 2 on PlanetBids and on the Bid Cover Form in the bid package.

2. This Addendum No. 2 modifies the Bidding and Contract Documents in the following manner:
   a) Replace the BID SHEET in BID FORMS Page 6,7 and 8 of 31 with the following BID SHEET :

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization and Demobilization	LS	1	$300,000.00	$300,000.00
2	Excavation Safety Measures	LS	1	$20,000.00	$20,000.00
3	City of Palmdale Encroachment Permit Fee	Allowance	1	$1,500.00	$1,500.00
4	Compliance with SWPPP Requirements	LS	1	$25,000.00	$25,000.00
5	Sewer Bypassing	LS	1	$145,000.00	$145,000.00
6	Traffic Control	LS	1	$75,000.00	$75,000.00
7	Construction Information Signs	EA	5	$1,500.00	$7,500.00
8	Provide As-Built Drawings	LS	1	$3,500.00	$3,500.00
9	Post-Construction CCTV Inspection	LF	5,280	$4.50	$23,760.00
10	Construct 18" Extra Strength VCP Sewer Pipe	LF	5,280	$375.00	$ $1,980,000.00
11	Construct 15" Extra Strength VCP Sewer Pipe	LF	5	$750.00	$3,750.00
12	Construct 12" Extra Strength VCP Sewer Pipe	LF	8	$725.00	$5,800.00
13	Construct 10" Extra Strength VCP Sewer Pipe	LF	16	$700.00	$11,200.00
14	Construct 48" I.D. Precast Reinforced Concrete Manhole	EA	13	$36,500.00	$474,500.00
15	Construct 48" I.D. Precast Reinforced Concrete Drop Manhole	EA	1	$40,500.00	$40,500.00
16	Construct 60" I.D. Precast Reinforced Concrete Manhole	EA	4	$45,000.00	$180,000.00
17	Remove and Dispose of Existing Sewer Manhole & Base	EA	2	$9,500.00	$19,000.00

18	Remove and Dispose of Existing Concrete Encased Sewer Main	LF	20	$175.00	$3,500.00
19	Reconnect 4" SDR-35 PVC Sewer Lateral to Proposed Sewer Trunk Main	EA	4	$18,500.00	$74,000.00
20	Break into Existing Manhole and Re-channel	EA	3	$7,500.00	$22,500.00
21	Reconstruct 18" SD Lateral	LS	1	$49,500.00	$49,500.00
22	18" RCP (REINFORCED CONCRETE PIPE)	LF	80	$700.00	$56,000.00
23	24" RCP (REINFORCED CONCRETE PIPE)	LF	12	$1,250.00	$15,000.00
24	30" RCP (REINFORCED CONCRETE PIPE)	LF	106	$700.00	$74,200.00
25	66" RCP (REINFORCED CONCRETE PIPE)	LF	38	$850.00	$32,300.00
26	78" RCP (REINFORCED CONCRETE PIPE)	LF	1,915	$900.00	$1,723,500.00
27	4'X8' RCB (REINFORCED CONCRETE BOX)	LF	26	$2,250.00	$58,500.00
28	6'X8' RCB (REINFORCED CONCRETE BOX)	LF	32	$2,950.00	$94,400.00
29	2-3'X8' DOUBLE RCB	LF	78	$975.00	$76,050.00
30	2-5'X5' DOUBLE RCB	LF	6	$1,225.00	$7,350.00
31	2-4'X7' DOUBLE RCB	LF	560	$1,450.00	$812,000.00
32	7' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$22,500.00	$22,500.00
33	14' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$34,500.00	$34,500.00
34	21' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$59,500.00	$59,500.00
35	28' SIDE OPENING CATCH BASIN, SPPWC STD 300-4	EA	1	$57,500.00	$57,500.00
36	28' SIDE OPENING PRESSURE RELIEF CATCH BASIN, SPPWC STD 300-4	EA	2	$62,500.00	$125,000.00
37	CURBSIDE GRATING CATCH BASIN, SPPWC STD 303-4, ONE GRATE	EA	1	$18,500.00	$18,500.00
38	CURBSIDE GRATING CATCH BASIN, SPPWC STD 303-4, FOUR GRATES	EA	1	$42,500.00	$42,500.00
39	CONCRETE BOX STORM DRAIN MANHOLE, SPPWC STD 323-2	EA	4	$14,500.00	$58,000.00
40	MANHOLE, PIPE TO PIPE 36' DIAMETER OR GREATER, SPPWC STD 320-2	EA	4	$29,500.00	$118,000.00
41	PIPE TO PIPE JUNCTION STRUCTURE PIPE ID>24", SPPWC STD 331-3	EA	1	$4,500.00	$4,500.00
42	PIPE TO PIPE JUNCTION STRUCTURE 24" DIA. MAX, SPPWC STD 332-2	EA	2	$9,500.00	$19,000.00
43	PIPE TO RCB JUNCTION STRUCTURE, SPPWC STD 333-2	EA	2	$14,500.00	$29,000.00
44	TRANSITION STRUCTURE / 5'X5'X4' VAULT WITH MANHOLE	EA	1	$39,000.00	$39,000.00
45	TRANSITION STRUCTURE - PIPE TO PIPE, SPPWC 340-2	EA	1	$32,500.00	$32,500.00
46	TRANSITION STRUCTURE - RCB TO PIPE, SPPWC 342-2	EA	1	$32,500.00	$32,500.00
47	TRANSITION STRUCTURE - RCB TO DOUBLE RCB, SPPWC 343-2	EA	2	$95,000.00	$190,000.00

48	TRANSITION STRUCTURE - DOUBLE RCB TO DOUBLE RCB, SPPWC 344-2	EA	2	$125,000.00	$250,000.00
49	CONCRETE COLLAR, SPPWC	EA	5	$7,500.00	$37,500.00
50	EXISTING UTILITY CROSSING CONDUIT SUPPORT	LS	1	$25,000.00	$25,000.00
51	TRENCH SHORING	LS	1	$145,000.00	$145,000.00
52	Remove Existing Curb Ramps	EA	18	$3,500.00	$63,000.00
53	Construct Curb Ramps (Cases as Shown on Plans)	EA	19	$6,500.00	$123,500.00
54	Construct Cross Gutter	SF	6,637	$25.00	$165,925.00
55	Construct Curb & Gutter	LF	2,150	$115.00	$247,250.00
56	Construct Type D1-8 HMA Dike	LF	1,290	$20.00	$25,800.00
57	Construct Sidewalk	SF	3,160	$35.00	$110,600.00
58	Construct AC Sidewalk	TN	161	$275.00	$44,275.00
59	Sawcut and Remove AC, Aggregate Base	SF	34,240	$7.50	$256,800.00
60	100-E-100 Slurry Mix	CY	20	$475.00	$9,500.00
61	Construct 3.5" Type B PG 70-10	TN	714	$230.00	$164,220.00
62	Crushed Aggregate Base (8 in)	CY	845	$215.00	$181,675.00
63	Construct 1-1/2" Polymer Modified Asphalt Concrete (PMAC) with 15% Reclaimed Asphalt Pavement	TN	1,849	$215.00	$397,535.00
64	AC Type B - 3/4" Mix PG 70-10	TN	896	$215.00	$192,640.00
65	Transverse Join	SF	2,400	$3.00	$7,200.00
66	Construct Local Depression	CY	21	$1,150.00	$24,150.00
67	Coldmill 2" Existing Asphalt Concrete Pavement	SF	155,380	$0.25	$38,845.00
68	Double Adjust Manholes	EA	5	$4,250.00	$21,250.00
69	Double adjust Water Valve to Grade	EA	3	$1,250.00	$3,750.00
70	Adjust to grade pullboxes, vaults	EA	3	$3,500.00	$10,500.00
71	Signing and Striping Improvement	LS	1	$55,000.00	$55,000.00
72	Traffic Signal Improvement	LS	1	$75,000.00	$75,000.00
73	Project Sign	EA	3	$1,250.00	$3,750.00
74	Storm Drain Dewatering	LS	1	$18,500.00	$18,500.00

Please note the bid submittal date and time has not changed.

Rtc. for Jonathan Wu

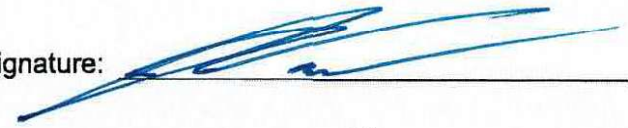
Jonathan Wu, P.E.
Deputy Director of Public Works

4/15/2026
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: 

Name: Jesus E Carrillo

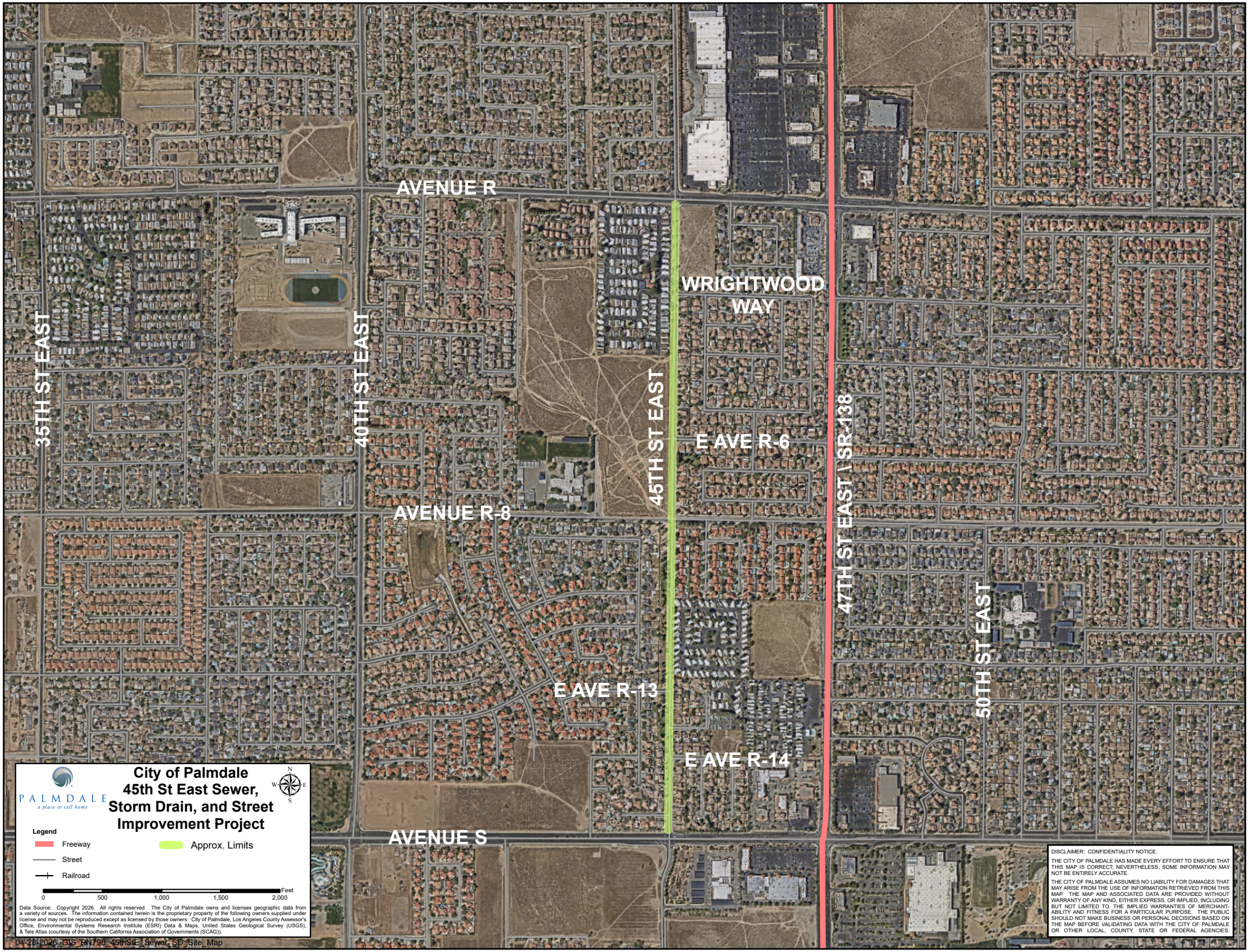
Title: President

Company: CEM Construction Corp

Date: 4/17/2026

Total Bid Price in Digits: **$9,995,475.00**

Total Bid Price in Words: **Nine million nine hundred ninety-five thousand four hundred seventy-five dollars.**


AVENUE R
WRIGHTWOOD WAY
35TH ST EAST
40TH ST EAST
45TH ST EAST
E AVE R-6
AVENUE R-8
47TH ST EAST \ SR-138
50TH ST EAST
E AVE R-13
E AVE R-14
AVENUE S
PALMDALE
a place to call home
City of Palmdale
45th St East Sewer, Storm Drain, and Street Improvement Project
Legend
Freeway
Street
Railroad
Approx. Limits
0
500
1,000
1,500
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Feet
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04-28-2026 \GIS_RN796_45thSE_Sewer_SD_Site_Map

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **3, 4**

SUBJECT: **APPROVE AGREEMENT WITH WILLDAN ENGINEERING FOR CONSTRUCTION MANAGEMENT AND OBSERVATION SERVICES FOR PN 796, 45TH STREET EAST SEWER, STORM DRAIN, AND STREET IMPROVEMENT PROJECT, FOR A TOTAL NOT TO EXCEED AMOUNT OF $877,190 FOR A TERM OF 251 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-9785 with Willdan Engineering for Construction Management and Observation Services for PN 796, 45th Street East Sewer, Storm Drain and Street Improvement Project (Project), for a total not to exceed amount of $877,190, which includes a contract amount of $762,774, plus a 15% contingency amount of $114,416 for a term of 251 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9785 with Willdan Engineering, including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 15% contingency amount approved by the Council.

BACKGROUND

The Project is a pivotal undertaking to enhance infrastructure along 45th Street between Avenue R and Avenue S. This initiative aims to improve roadway safety and effectively manage stormwater and wastewater in our community.

The Project proposes to construct a new 18-inch Sewer Main extending from Avenue S to Avenue R; a new 78-inch Storm Drain located between Avenue R-8 and R; and street improvements, including pavement rehabilitation, new sidewalks, curbs, and gutters between Avenue S and Avenue R.

The construction management team will oversee planning, coordination, and execution to ensure the public works project is completed safely, on schedule, and within budget. They will manage contractors, monitor quality and regulatory compliance, and lead the Public Outreach effort, serving as the central point of communication among all stakeholders.

DISCUSSION

On December 11, 2025, a Request for Qualifications (RFQ) for construction management and observation services was publicly advertised via the PlanetBids electronic platform.

On January 15, 2026, the City received eight (8) proposals. Consistent with the RFQ procurement process, the evaluations prioritized the proposer's qualifications, followed by project approach and the proposed management and staffing plan. The table below summarizes the weighted evaluation criteria used in this process:

Criteria	Available Points
Expertise, Experience, and Training Plus Prior Contracting History	40
Project Approach	30
Public Outreach	20
Compliance with RFQ	10
Total	**100**

The firms were ranked as follows:

Rank	Vendor	Location	Proposal Fee
1	Willdan Engineering	Ventura, CA	$762,774.00
2	MNS Engineers	Thousand Oaks, CA	$1,281,451.00
3	Transtech Engineers, Inc.	Chino, CA	$707,904.00
4	Z&K Consultants	Riverside, CA	$676,744.00
5	Interwest Consulting Group, Inc.	San Jacinto, CA	$633,185.00
6	Kane Construction Services, Inc.	North Hollywood, CA	$885,505.59
7	Global Builders	Laguna Hills, CA	$1,589,500.00
8	Engineering Resources of Southern California, Inc	Redlands, CA	$812,228.60

Willdan Engineering has demonstrated extensive expertise in public infrastructure management with a strong track record in California and strong alignment with the City's goals for the Project. The firm's experience includes overseeing projects with similar scopes, ensuring adherence to budget and schedule while actively promoting community engagement and transparency throughout the project lifecycle.

Willdan's dedicated team offers comprehensive construction management, labor compliance, and quality assurance services. The firm's commitment to public outreach includes bilingual community notifications to ensure residents remain well-informed throughout the project.

The top three (3) consulting firms were each invited for interviews. Based on interviews, qualifications, and relevant experience, staff recommend that the City Council approve the agreement with Willdan Engineering for PN 796 in the amount of $762,774, including a 15% contingency.

FISCAL IMPACT

$877,190; Sufficient funds are budgeted and available for the Project utilizing Sewer Maintenance, Sewer Upgrades, Pearland Drainage Fund, and Measure M Local Return Fund.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9785 with Willdan Engineering
Proposal
Fee Schedule
Site Map

AGREEMENT NO. A-9785
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND WILLDAN ENGINEERING

THIS CONTRACT FOR CONSULTANT 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 WILLDAN ENGINEERING (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

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:

PN 796 45th Street East Sewer, Storm Drain and Street Improvements Project
The consultant will provide technical professional services related to the construction of the following:

- Sewer Relief Line
- Storm Drain
- Pavement Improvements/Rehabilitation
- Curb and Gutter
- Signing and Striping
- Utility adjustments
- Monument and Project Control

The construction is anticipated to be completed within 251 working days. In general, the City uses the "Standard Specifications for Public Works Construction" and the "Standard Plans for Public Works Construction" as the basis of a project's plans, specifications, and estimate.

The consultant shall provide a qualified Construction Manager responsible to oversee the required inspection, materials and geotechnical testing and perform Construction Management for the construction of the subject project. Responsibilities include but not limited to:

• Provide a constructability review of the project plans, specifications, and engineer's estimate;
• Coordinate and attend all project related meetings which includes pre-bid meeting, pre-construction meeting & weekly progress meetings;
• Prepare bi-monthly Project Update Summary and submit to the City's Project Manager and Stakeholders every 2nd and 4th Monday of each month. Project Update Summary shall include, but not limited to, recap of completed work with photos, upcoming scheduled work, and lane and street closures;
• Maintaining project files using VPM. Project files shall be available to the City's Project Manager through the City's VPM shared files system;
• Supervise and provide construction observation/inspection;
• Manage, monitor, inspect, maintain, and keep track of progress of Perpetuation of Survey Monuments by the contractor;
• Review and file construction inspector's daily report in VPM;
• Review and track the contractor's construction schedule in VPM;
• Assure contractor is meeting project labor agreement and Community Workforce Agreement requirements in coordination with Labor Compliance Consultant;
• Issue Weekly Statement of Working Days reports in VPM;
• Coordinate with the City's design engineer, utility companies, and other agencies.
• Process, review and track submittal approvals;
• Provide and implement public outreach plan which shall include coordination of one (1) virtual community meeting, meeting with Mesquite Elementary School, develop and distribute project notifications letters/postcards, and provide bi-weekly project update for City's Website and social media outlets;
• Review and make recommendation for contractor progress payments;
• Prepare, review, and make recommendations regarding the contractor's request for contract change orders through VPM;
• Assist at the final walk-through inspection and prepare a "punch-list for project closeout". Make recommendation for substantial completion; and
• Oversee the traffic striping and signage inspections.

Task 1 – Constructability Review: The construction manager shall be responsible for reviewing the plans, specifications, and engineer's estimate and providing advice on the constructability and offer recommendations to improve construction efficiencies and/or reduce impacts to property owners and the traveling public. These reviews shall take no longer than two (2) weeks to complete. The consultant shall provide the comments in writing. In addition, the construction manager shall meet with the City's Project Manager to discuss their comments. Please indicate the number of hours proposed for constructability review.

Task 2 – Meetings: The consultant will meet with City's Project Manager and Design Team for an initial kick-off meeting.

The consultant shall schedule, prepare and conduct a mandatory pre-bid meeting. They will also schedule, prepare and conduct preconstruction conference meeting with the selected contractor all stakeholders and utility agencies. Conduct weekly coordination meetings with the contractor and stakeholders and discuss the next week's work. Prepare written agendas and minutes of all meetings. The contractor

will be required to provide a “look ahead” schedule at each weekly meeting that the consultant shall review and provide comments. These meetings may be held at the City of Palmdale, Development Services Building, 38250 Sierra Highway, Palmdale, CA. However, the meeting location may be scheduled for an alternate site or by Microsoft TEAMs if agreed by the contractor and approved by the City.

Task 3 – Construction Management: The consultant shall provide a qualified Registered Civil Engineer or Certified Construction Manager serving as a construction manager having at least 10 years of experience with similar projects.

Construction Manager under the general direction of the City’s Project Manager shall be responsible for overseeing all aspects of the project construction management. Oversee and ensure that all requirements of the project’s plan and specifications are strictly adhered to and the project construction phasing is completed in timely and professional manners, within budget and with an emphasis in providing the City with a high-quality project. Develop project files folders and maintain all records in accordance to an industry standard format. All project files (paper files and electronic files) shall become property of the City and shall be delivered to the City in its entirety.

The Construction Manager shall be to be responsible for Reviewing and monitoring Contractor’s methods and procedures during all construction activities and issue weekly working days statement. The Construction Manager shall also be responsible at a minimum the following tasks but not limited to:

• Task 3A – Manage VPM: The construction manager shall be responsible to learn how to use and manage all construction documents in City’s VPM Software. The City will schedule an in-person training before the project starts.

• Task 3B – Supervision of Construction Observation and Material Testing/Geotechnical: Supervise the work of the project construction observer(s), geotechnical and material testing technician(s). Review inspector’s daily reports and photographs and provide copies on a weekly basis due every Friday by noon. Additional Inspection and Reporting responsibilities are listed in Task 4.

• Task 3C – Construction Schedule: The construction manager shall review the contractor’s project schedule and confirm that tasks are scheduled within appropriate timeframes with the least impact to the public. On a weekly basis the construction manager shall review the contractor’s weekly look-ahead schedule to confirm its compliance with the original schedule and that coordination with utility companies and agencies has been performed. If the weekly look ahead schedule is not in compliance with the original schedule, construction manager shall be responsible to direct the contractor to make suitable adjustments.

• Task 3D – Material Submittal: Review, comment and/or recommend approval all of the contractor’s submittals, including but not limited to shop drawings, material data, samples, and product data. Verify that the correct products will be installed on the project. Prepare a tracking log to document to include the date the submittal was

delivered; who the submittal was transmitted to for comment/approval; and when the submittal was returned with comment or approval.

• Task 3E – Weekly Statement of Working Days: Promptly prepare and issue the weekly working day statements to the contractor. This is due to the City every Monday by noon. The working day statement shall conform to Caltrans form CEM-2701 or similar form produced by the consultant documenting the same information, as approved by the City.

• Task 3F – Coordination: As the City's representative assure coordination between the contractor and the design team, utility companies, other agencies, City, Stakeholders and the community.

• Task 3G – Traffic Control: Review the traffic control plan and the day to day operations to ensure compliance with approved traffic control plan to promote safety to the traveling public, and to minimize the impacts to the general public.

• Task 3H – Review Contractor's Payment and Contract Change Order Request: Review, verify and make a written recommendation of contractor's invoices/payment requests to the City through VPM. The construction manager shall reconcile item quantities with field measurements and verify consistency with contractor's progress invoices. Once the reconciliation is complete and the contractor agrees the construction manager shall provide a written recommendation to the City for payment. The construction manager's recommendation process shall take no longer than one (1) work week. If the contractor's payment request is in error the construction manager shall reject the request in writing stating the reason for rejection.

Prepare all City approved contractor change order requests and owner-initiated contract change orders through VPM. Contractor's change orders requests shall be reviewed and confirmed if it is a valid request and not specified in construction contract documents. The construction manager shall also forward all requests to the design engineer for their input to the request's validity and cost. If the request is valid and a reasonable cost is established, the construction manager shall forward the change order request to the City recommending approval and tracking.

• Task 3I – Review on Contract Claims: The construction manager shall be responsible in working with the contractor and resolving any issues prior to claims. The construction manager shall assist with City personnel in recommending the best solution to resolve disputed claims. Resolution of disputed claims shall be approved by the City Engineer or its designee.

• Task 3J – Final Walk Through and "Punch-List": The construction manager shall arrange for a final walk through inspection with the contractor and prepare a "punch-list" of items needing to be addressed to complete the work and track progress and its status. The construction manager shall certify the completion of work improvements pursuant to the construction contract documents and shall make recommendations for final acceptance.

• Task 3K – Public Outreach: The construction manager shall be responsible to host one (1) virtual community outreach meeting and one (1) in-person meeting with Mesquite Elementary School prior to start of construction. This includes preparation and distribution of a multi-language (English and Spanish) on City's public outreach postcard inviting residents and businesses via mailers to City approved distribution area map (within notification map provided by Project Manager) and on City approved social media outlets. The construction manager shall also prepare, reproduce all copies needed, and distribute public outreach notification postcards to all the residents and businesses affected by the project within notification map provided by Project Manager prior to construction bid advertisement of the project. Address any questions or complaints from residents affected by the construction project.

Construction Manager shall be responsible for reaching out to nearby school(s), transit agencies, LA County Fire Department, LA County Sheriff Department, Utility Companies, businesses, and residents immediately affected by the project to further discuss the project details and schedule.

Consultant shall also propose other effective public outreach strategies to be found to be effective on other current or past projects.

The consultant shall also be responsible to oversee construction notices to be delivered by contractor along the project route.

• Task 3L – Project Budget: The construction manager shall provide bi-weekly project budget spreadsheet and show the current status of the project.

Task 4 – Construction Observation and Reporting: The consultant shall provide one experienced full-time construction observer. Brief descriptions and related projects are sufficient. The City will set an interview to assure that the chosen observer can take charge and impose the compliance of the plans and specifications during all times the contractor is working. Only one (1) full-time construction observer is required for this project.

Construction observer shall have the full knowledge in the day-to-day operations and activities, coordination and monitoring of all construction methods, traffic control, water quality SWPPP and BMP's implementation and other associated work. Although it is anticipated most of the work will occur during the day it can be assumed that a portion of the work may occur at night in order to minimize traffic impacts. The consultant shall report the daily progress of the work produced by the consultant, approved by the City, documenting the same information. The consultant shall document all personnel and equipment used for the day in VPM.

The construction inspectors report shall incorporate photos, before, during and after construction. Photos included in the construction observers report shall be properly labeled with date, time, location and short description. Photo's shall also be uploaded on the VPM software. The daily report shall be uploaded to the VPM software on a daily basis.

Inspection services shall provide a licensed Traffic Engineer to field inspect all cat tracks and final striping for all proposed traffic striping.

Task 5 – Labor Compliance: The consultant shall schedule and conduct a mandatory pre-bid meeting to discuss the Labor Compliance and Community Workforce Agreement requirements. The consultant shall resolve complex labor compliance issues, review, verify and enforce the prime contractors and subcontractor's submittal of monthly certified payrolls pursuant to the contract agreement, local, Federal, and State requirements. The prime contractor shall be responsible for assure corrections of any payroll that does not meet contract, Federal, and/or State requirements, including making additional payments to employees, if necessary. All correspondence and corrections with and by the contractor shall be documented and forward to the City. Construction Manager will need to inform the city as soon as he/she discovers the discrepancies or labor compliance violations. The consultant shall submit a monthly labor compliance report to the City. The report shall include certified payrolls, correspondence corrections, consultant letter certifying the review and labor compliance in accordance to the Federal and/or State regulations. Consultant shall include hourly rates and shall take account of travel time.

The consultant shall review all files for completeness and accuracy, prepare and send Labor Compliance Clearance Letter certifying the completion of all labor compliance activities. The consultant shall also prepare file closeout transmittal, transmit files to City for storage (3-year records retention requirement).

Task 6 – Geotechnical and Materials Testing: The consultant shall provide geotechnical and/or materials testing to assure the contractor's construction methods and materials meet the requirements of the plans and specifications. The proposed cost for Geotechnical-Construction Services shall cover all material testing required throughout the duration of the project (sewer, storm drain, and street improvements) to include all reports.

Task 7 – Survey: The consultant shall monitor all activities related to the contractor's survey work including but not limited to verification of field work, survey records, monumentation, etc.

Task 8 – Traffic Signing and Striping Inspection: The consultant shall provide a licensed Traffic Engineer in the State of California to field inspect all cat tracks, final striping, and signage as proposed. All field comment(s) shall be documented and redlined on the construction plans to be provided to the contractor.

Task 9 – Interactive Map on City Website: The consultant shall develop and maintain an interactive map linked to City's Department website that shows the weekly construction updates with progress photos, temporary street closure(s) information, hours of work, etc. . It should also include 2-week look ahead schedule.

Task 10 – Provide Notification Letter to Residents/Business: The consultant shall provide notification letter two (2) week before the start of work.

This includes preparation and distribution of a multi-language (English and Spanish) public outreach postcards informing residents and businesses via mailers to City approved distribution area map (within notification map provided by Project Manager) and on City approved social media outlets. It must also include graphics or pictures that better explains the project. The letter will include the dates and times when residents are permitted to drive on the newly paved street. Address any question or complaints from residents affected by the construction project.

The City reserves the right to delete specific task(s) and/or line items at no additional cost.

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:

Michael Bustos and Javier Ramirez

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.

4 CONTRACT TERM

The term of this contract is two hundred fifty-one (251) DAYS, commencing on the effective date, with CITY reserving the option to extend the agreement for 6 Months additional terms of one year each.

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, and CITY shall not be responsible for discovering deficiencies therein. 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 seven hundred sixty-two thousand seven hundred seventy-four dollars ($762774), payable as follows:

CONSULTANT Proposal is attached as Exhibit "A".

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 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 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, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, CONSULTANT and, as applicable, any contractors or 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. 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

- $2,000,000.00 limit on a per occurrence basis
- $4,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

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

11.2 All of CONSULTANT'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.

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. Within five (5) days of written request from CITY, CONSULTANT shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

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, deductibles 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 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 CONSULTANT 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 CONSULTANT shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONSULTANT's sole risk. CONSULTANT'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 AND DELIVERY OF WORK PRODUCT:

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONTRACTOR or Contractor's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY. All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONTRACTOR shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

16 OWNERSHIP OF INTELLECTUAL PROPERTY:

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONTRACTOR hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONTRACTOR consents to the use of CONTRACTOR's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONTRACTOR agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONTRACTOR waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

17 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

17.1 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.

17.2 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.

18 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

18.1 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.

19 SB 1383 COMPLIANCE

CONTRACTOR shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

20 FINANCIAL INTEREST CERTIFICATION

20.1 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.

20.2 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.

21 CONFLICT OF INTEREST

21.1 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.

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

21.3 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.

21.4 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.

22 COMPLIANCE WITH LAW

22.1 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.

22.2 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.

23 HEALTH AND SAFETY PROVISIONS

A. CONTRACTOR and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONTRACTOR and subcontractors shall abide by the most restrictive mandate.
B. Costs associated with adhering to health and safety mandates are the responsibility of the CONTRACTOR. CONTRACTOR is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

24 NOTIFICATION AND ACCESS REVOCATION

The CONTRACTOR shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONTRACTOR to be in breach of contract. Notice shall include the individual's name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

25 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.
The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature,

expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

26 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.

27 ENTIRE CONTRACT AND AMENDMENTS

27.1 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.

27.2 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.

27.3 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.

28 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:

Salvador Mendez
City Manager

Lee Torres
Apr 2, 2026, 3:11 PM PDT

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

WILLDAN ENGINEERING:

Vanessa Munoz
Apr 2, 2026, 3:33 PM PDT

Vanessa Munoz
President/CEO

ADDRESS FOR NOTICE:
WILLDAN ENGINEERING
374 Poli Street, Suite 101
Ventura, CA 93001

APPROVE AS TO FORM:

Alexandra Severino
City Attorney

ATTEST:

Rochelle Scott
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	City of Palmdale	For	vmunoz@willdan.com
Name	Leonardo Torres	Name	Vanessa Munoz
Title		Title	



Signed on Apr 2, 2026 3:11 PM PDT

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DocumentID: 032sr8j2Wh5WjuB9Y4tZmG
SigningID: 032sr8irVkSYjOFGfd9Cnn
UTC Signing time: 2026-04-02 22:11:55 UTC
IP Address: 172.58.209.201
Email: ltorres@cityofpalmdaleca.gov



Signed on Apr 2, 2026 3:33 PM PDT

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DocumentID: 032sr8j2Wh5WjuB9Y4tZmG
SigningID: 032sreokBgQjMdg8dO7le6
UTC Signing time: 2026-04-02 22:33:00 UTC
IP Address: 137.83.224.221
Email: vmunoz@willdan.com

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CITY OF PALMDALE
CALIFORNIA

Proposal

Professional Construction Management & Observations Services for the Construction of 45th Street Sewer, Storm Drain and Street Renovation PN 796

January 15, 2026

Direct Contact:
Michael Bustos, PE, ENV SP
(805) 804-5389
mbustos@willdan.com



WILLDAN

Cover Letter

January 15, 2026

Lee Torres, P.E., Director of Public Works City of Palmdale Department of Public Works 38250 Sierra Highway Palmdale, CA 93550

RE: Professional Construction Management & Observations Services for the Construction of 45th Street Sewer, Storm Drain and Street Renovation PN 796

Dear Mr. Torres:

The City of Palmdale is seeking qualified firms to deliver comprehensive construction management and inspection services for the 45th Street Sewer, Storm Drain and Street Renovation Project. Our team understands this $7.5-7.6 million project encompasses installation of a new storm drain system, 18-inch sewer relief line, pavement improvements, curb and gutter, signing and striping, utility adjustments, and monument and project control work between Avenue S and Avenue R. We are committed to providing the City of Palmdale with high-quality, timely deliverables that meet all project requirements and budget constraints.

City of Palmdale and Local Knowledge. Willdan has worked successfully to deliver engineering services to 90 percent of the cities and counties in California – including critical infrastructure projects, sustainable energy initiatives, and technical consulting services that enhance city operations and community resilience services for the City since 1993. Notably, Willdan has provided inspection and testing services for the City's recently completed 2025 Overlay Program, Interim Public Works Director Services, supported the Palmdale WE E3 SCE Microgrid Incentive Program advancing clean energy and grid modernization and performed comprehensive Water Main Plan Check services to ensure the reliability of municipal utilities. Willdan has extensive experience helping other local agencies within the high desert as well. Willdan is committed to helping the City achieve its infrastructure, sustainability, and community development goals efficiently and effectively.

Highly Skilled Leadership Team. As Director of Construction Services with 40 years of experience, I, **Chris Baca, RCI, CESSWI,** personally commit to providing qualified, dedicated staff who will remain with this project from Notice to Proceed in March 2026 through final closeout within the 251 working day construction period. Our Principal-in-Charge **Michael Bustos, PE, ENV SP,** brings 24 years of construction management expertise and has served as Resident Engineer on over 125 public works projects totaling $200M+ in construction costs. Senior Construction Manager **Michael Michael, CCM, CQM, QSP, CESSWI, CES,** has managed projects with strict timelines and brings specialized expertise in infrastructure projects including wet and dry utilities. He brings 24 year of experience, meeting the RFP requirement of CCM with over 10 years' experience.

Proven Track Record. With over 61 years of service and 1,700+ employees nationwide, Willdan Engineering has successfully delivered construction management services on comparable sewer, storm drain, and street projects. Our recent Phase 2 Sewer System Rehabilitation for the City of Ridgecrest ($7.8 million) involved trunk sewer main improvements on various streets and roadway overlay with full construction management, inspection, labor compliance, and material testing services delivered within budget. Labor Compliance Manager **Jane Freij** will ensure full compliance with prevailing wage requirements and DIR regulations throughout the project.

I HAVE READ, UNDERSTOOD, AND AGREED TO ALL STATEMENTS IN THIS REQUEST FOR PROPOSAL AND ACKNOWLEDGE RECEIPT OF ALL ADDENDUMS / AMENDMENTS AS WELL AS TO THE TERMS, CONDITIONS, AND ATTACHMENTS REFERENCED. This submittal represents Willdan Engineering's binding commitment to all project requirements. I am authorized to represent Willdan Engineering and bind the firm to the commitments herein.

Respectfully submitted,

WILLDAN ENGINEERING

Chris Baca

Chris Baca, RCI, CESSWI

Director of Construction Services

CITY OF PALMDALE
PN 796 CONSTRUCTION MANAGEMENT AND OBSERVATION
SERVICES FOR 45TH STREET SEWER, STORM DRAIN AND STREET RENOVATION
JANUARY 8, 2026
ADDENDUM NO. 1

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1. This Addendum No. 1 forms a part of the Bidding and Contract Documents and modifies the Plans and Specifications for the City of Palmdale's PN 796 Construction Management and Observation Services for 45th Street Sewer, Storm Drain and Street Renovation Project. Bidders must acknowledge receipt of this Addendum No.1 on PlanetBids and on the Bid Cover Form in the bid package.

2. Questions and Answers:

   a) The RFP states that the Project Approach section should be a maximum of one page. Is that a strict one-page limit, or could we go over it as long as we respect the overall 25-page limit for the proposal?
   Answer: The RFP states that the Project Approach should be no more than one page, making it a strict limit for that section. While the entire proposal can be up to 25 pages, each part typically follows its specified limits.

   b) Can the City share the project specifications? Thank you.
   Answer: Yes, it has been posted; however, it is currently 60% in draft form.

Lee Torres, P.E.
Director of Public Works

1/8/26.
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents.
Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM
I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: Chris Baca

Name: Chris Baca, RCI, CESSWI
Title: Director of Construction Services
Company: Willdan Engineering
Date: 1/15/2026



Qualifications and Experience of Proposer's Personnel

Willdan's Overall Experience



Willdan Engineering (Willdan) is a California corporation founded in 1964 and a subsidiary of Willdan Group, Inc., a publicly traded company. Willdan specializes in construction management, construction inspection, and materials testing services for public works and transportation infrastructure projects.

For more than 61 years, Willdan has supported local and state agencies with construction-phase services that emphasize schedule control, cost management, quality assurance, and public coordination. Our experience includes construction management, full-time construction observation, labor compliance support, materials testing oversight, and documentation using agency-required project management systems.

Willdan employs more than 1,700 professionals, including licensed engineers, construction managers, inspectors, and testing personnel, operating from more than 50 offices nationwide. We maintain established working relationships with public agencies and utilities and have a proven record of delivering compliant, well-documented public infrastructure projects.

The following table provides a focused list of projects with similar scopes to the City's project.

Sewer Projects	Storm Drain Projects	Pavement Improvement / Rehabilitation Projects
Ward Avenue Street and Sewer Rehabilitation, City of Ridgecrest	Affordable Housing and Sustainable Communities Improvements, City of Ridgecrest	PN 918 2025 Overlay Program, City of Palmdale
Phase 1 Sewer Repair Program, City of Ridgecrest	Tract 5520 Public Improvements, City of Fillmore	Ward Avenue Street Rehabilitation Phase 2, City of Ridgecrest
Phase 2 Sewer Rehabilitation, City of Ridgecrest	Harvest at Limoneira Development Public Improvements, City of Santa Paula	Measure V Overlay FY 24, City of Ridgecrest
Citywide Sewer Rehabilitation, City of Hemet	Bishop Storm Drain, City of La Habra	FY 22 Measure V Street Rehabilitation, City of Ridgecrest
C Street Emergency Sewer Repair, City of Fillmore	Buena Vista Storm Drain Repair, De Luz CSD	Highway 111 Pavement Rehabilitation and Overlay Project Phase 2, City of Indian Wells
FY 24 to 25 Sewer Pipeline Rehabilitation Project No. 709 SWR, City of South Gate	Stormwater Capture at Bolivar Park, City of Lakewood	Pacific Street Pavement Rehabilitation, City of Highland
Citywide Wastewater Main Rehabilitation FY 2025, City of Santa Barbara	Caruthers Park Stormwater Capture Project, City of Bellflower	Cooperative City County Pavement Rehabilitation Project, City of Highland
Florence Avenue Street and Sewer Rehabilitation, City of Bell	Acacia Josephine Storm Drain Project, City of Garden Grove	Pavement Rehabilitation Zone E, City of Highland
Valley Boulevard Sewer Improvements, City of La Puente	Main Street and Providence Avenue Sewer Improvements and Tustin Street Storm Drain Rehabilitation, City of Orange	Barton Road Pavement Rehabilitation Project, City of Grand Terrace
Annual Wastewater Main Replacement Project, City of Santa Monica		Pavement Rehabilitation 501, City of Palm Springs
Old Valley Boulevard Sewer Extension and Street Improvements, City of La Puente		Arrow Highway Street Resurfacing, City of Azusa
Main Street and Providence Avenue Sewer Improvements and Tustin Street Storm Drain Rehabilitation, City of Orange		Crenshaw Boulevard Improvements Phase 1, City of Inglewood



Willdan's resident engineers, construction managers, and construction observers bring experience on projects of similar scope and complexity. Our team proactively reviews plans, specifications, schedules, and contract documents to identify and resolve discrepancies before they result in delays, disputes, or public impacts. Issues are communicated promptly to project managers and contractors with practical recommendations to support successful project delivery.

Geotechnical Engineering and Material Testing Expertise

Willdan has a resolute, full-time staff of geotechnical engineers, geologists, and field and laboratory technicians. We also have a pool of qualified independent construction specialty inspectors and technicians. Our staff has experience throughout the Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. Willdan will provide all required geotechnical and materials testing services for the project, including laboratory and field testing, and will submit all associated reports as part of Task 6.

Qualifications of Key Staff and Subconsultant(s)

For our key personnel, we have selected individuals with extensive expertise and directly related experience to ensure that the services provided adhere to company-wide policies including the quality and integrity of project deliverables and team performance. They are supported by a talented technical support team ready to implement successful project delivery. All team members have worked together on similar projects.

Key Personnel Roles

Willdan's Key personnel are identified below along with their project roles. Our Industry office, located approximately 60 miles from Palmdale, will serve as the primary location for this contract, with key personnel available to attend meetings at City facilities during normal business hours with reasonable notice.

Key Personnel	Project Role	Credentials
Michael Bustos PE, ENV SP	Principal-in-Charge	Civil Engineer, CA No. 73173, Envision Sustainability Professional No. 2696
Ross Khabiani, PE	Materials Testing Engineer	Civil Engineer CA No. 37156, Geotechnical Engineer CA No. 2202
Michael Michael, CCM, CQM, QSP, CESSWI, CES	Senior Construction Manager, QSP Inspector	CCM No. 8650, PMP, CESSWI No. 8884, QSP No. 28351, CSLB A, B, C-10 No. 1026252
John Borquez, PE	Project Scheduler	Civil Engineer, California No. C61164, Critical Path Method (CPM) Scheduler
Jane Freij	Labor Compliance Manager	BA Linguistics, 30 years labor compliance experience
Amanda Perez	Labor Compliance Specialist	AS Human Resources Management, 15 years experience
Cris Valenzuela	Public Works Inspector	17 years public works inspection experience
Brent Jablonowski	Public Works Inspector / Special Inspector	Certified Master of Special Inspections, ACI Field Grade 1
Jeff Lau, PE, TE, ENV SP	Traffic Engineer	Civil Engineer CA No. 83887, Traffic Engineer CA No. 2835
Peri Kay	Project Admin	MS Civil/Construction Engineering USC, 2 years experience
Rex Miller	Interactive Mapping	BS Civil Engineering, 30 years GIS experience
KMP Strategies	Public Outreach	Woman-owned and Federal Department of Transportation DBE-certified public outreach and education firm,

Subconsultant(s)

Willdan's strength of staffing resources and available in-house disciplines enable us to provide all services and disciplines required for this contract without the use of subconsultants. However, given the understood importance of public outreach, Willdan has selected KMP Strategies to complement our team and support the Project's public outreach needs. Should the need arise, Willdan maintains a database of additional subconsultant firms for specialty items – including certified disadvantaged business enterprise firms. These firms provide a wide range of services from traffic counts to bridge engineering review. We have worked with these subconsultants in the past and will submit their qualifications to the City for approval.

Outreach Support Service

KMP develops and executes comprehensive public outreach programs for publicly impactful infrastructure projects. Recognized for its hands-on approach and ability to understand technical project aspects and relay details to non-technical stakeholders, they quickly adapt to project needs, identify the best person for each role, and successfully navigate challenges while maximizing opportunities. It is their experience that there is often more to agree upon than there is to not, but it can be difficult to hear and see those similarities when completely entrenched in a project. That's where KMP is most helpful, serving as trusted advisors and extensions of our clients while bringing a fresh perspective.

KMP reaches stakeholders where they are—on their phones, in their mailboxes, in their homes, in between songs on their playlists, and through those they trust. They are rooted in research and build upon our experience on more than $2 billion in construction projects to design each program for their client's unique needs. They pride themselves in working hard on behalf of our clients, maximizing efficiencies, and realizing goals alongside their clients. Over the last 15 years, KMP has developed and nurtured relationships with the top practitioners in various specialty fields, some of which include: graphic design, market research, film production, data acquisition, and strategic media buying. These critical components provide clients the ability to tap into creative resources under KMP's guidance.

KMP STRATEGIES

KMP Strategies, LLC
1721 2nd Street, Ste 100
Sacramento, CA 95811
(916) 548-1982
Sarah Modeste
sarah@kmpstrategies.com
kmp@kmpstrategies.com

Experience with Palmdale



Willdan has built a longstanding and multifaceted partnership with the City of Palmdale, delivering innovative engineering and management solutions that span more than three decades. Our collaboration has included critical infrastructure projects, sustainable energy initiatives, and technical consulting services that enhance city operations and community resilience.

Notably, Willdan has provided Interim Public Works Director Services, supported the Palmdale WE E3 SCE Microgrid Incentive Program advancing clean energy and grid modernization and performed comprehensive Water Main Plan Check services to ensure the reliability of municipal utilities. Willdan has successfully executed projects across city engineering, design, and planning disciplines, combining technical excellence with responsive client service. This enduring partnership demonstrates Willdan's commitment to helping the City of Palmdale achieve its infrastructure, sustainability, and community development goals efficiently and effectively. **Additionally, Willdan's proposed Public Works Inspector and in-house material testing team for this project recently provided inspection and materials testing services on the City's PN 918 2025 Overlay Program Project.**

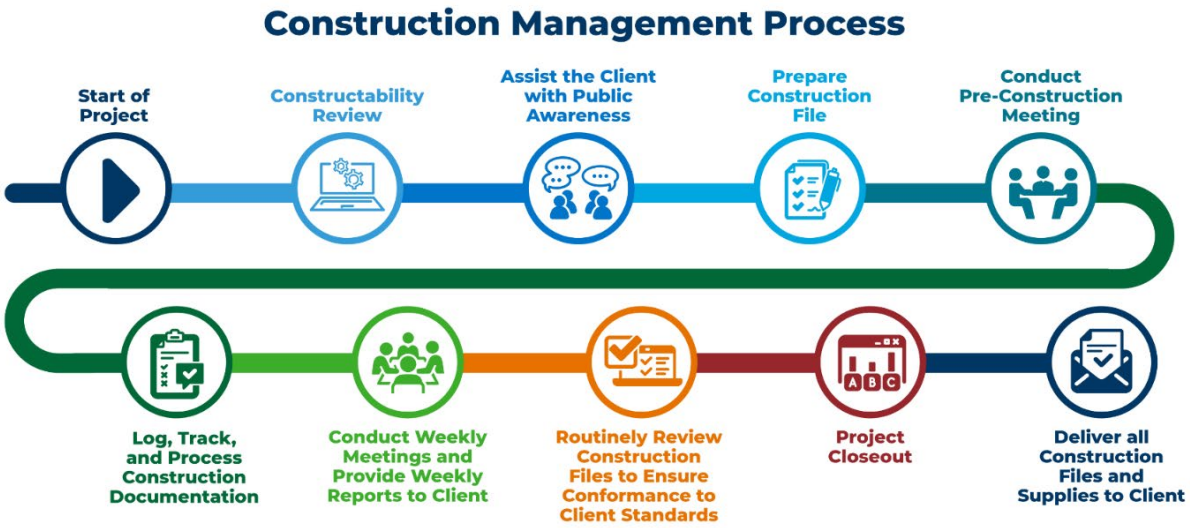


Project Approach

Willdan is expected to function as the City's representative, ensuring that all construction activities are executed in strict conformance with the approved plans, specifications, contract documents, and applicable laws. The approach is structured around proactive risk management, schedule control, quality assurance, regulatory compliance, and transparent communication with City staff, stakeholders, utilities, and the public.

Willdan's services commence during the pre-construction phase with a formal constructability review and continue uninterrupted through construction, closeout, and final acceptance, ensuring continuity, institutional knowledge retention, and accountability. There are many routine aspects that are common to the way every construction project is performed in terms of construction administration and inspection of development, permitted, and capital improvement projects as outlined in our scope and in the diagram below:

Throughout construction, our team will maintain a project-first philosophy with the contractor. When this is achieved, construction is easy, straight forward, and accomplished with a minimum of issues. We are a team – right is right and wrong is wrong for all parties. When this is established, it creates a fair environment for all, and project success is achieved.



Understanding of the Project

The City of Palmdale, through its Department of Public Works Capital Improvement Program, is undertaking the 45th Street Sewer, Storm Drain, and Street Renovation Project (PN 796) to address documented stormwater management deficiencies, aging sewer infrastructure, and roadway rehabilitation needs along the 45th Street East corridor between Avenue S and Avenue R. The project is a critical component of the City's adopted Capital Improvement Program and aligns with the City's Master Plan of Drainage, with the objectives of improving public safety, reducing flood risk, and supporting future development capacity.

The scope includes construction of a new regional storm drain system extending the existing 66-inch storm drain from Avenue R-8 to Avenue R, completing a key missing link in the regional drainage network, along with installation of an 18-inch sewer relief line to alleviate capacity constraints in the existing 12-inch sewer main. Additional work includes pavement rehabilitation, curb and gutter improvements, utility adjustments, monument preservation, and final signing and striping. The City has identified recurring ponding and operational deficiencies during storm events, requiring a comprehensive, coordinated infrastructure solution rather than isolated repairs. The estimated construction cost is $7.5–$7.6 million, with an anticipated duration of 251 working days and a targeted completion in Spring 2027.

Willdan understands its role as the City's representative and will perform all services in full compliance with the RFP and Addendum, including timely constructability review, qualified construction management and full-time observation, use of the City's Virtual Project Manager for documentation, required reporting and schedule control, labor compliance and materials testing, bilingual public outreach, and delivery of the project in accordance with all City, State, and Federal requirements.



Proposed Personnel

Senior Construction Manager



Michael Michael, CCM, CQM, QSP, CESSWI, CES, has more than 24 years of proven experience in project management and construction including infrastructure, electrical, wet and dry utilities in the municipal, Healthcare OSHPD/ HCAI projects, Industrial, GSA, Educational K-12 facilities, and Commercial markets. He has provided numerous consultant services which included site visits, defining project scenarios, overviews, case studies, vendors' comparisons, industry best practices and recovery of energy costs.

Principal-in-Charge



Mike Bustos, PE, ENV SP, is the Deputy Director of the Construction Services Group and has 24 years of experience. He has served as Resident Engineer for over a dozen federally and state-funded projects over the last five years and as a Construction Manager or Resident Engineer for 150+ public works projects for various agencies throughout California with projects totaling $250M+ on construction costs. Through his unique experience and vantage point of serving as a Design Engineer, Project Engineer, Project Manager, Resident Engineer, and Construction Manager, Mike has developed an expertise in public infrastructure planning, design, award, funding, and construction; he understands the varying unknowns project construction can present; and he tackles those unknowns by working with contractors, City staff, and other stakeholders to resolve challenges.

Principal-in-Charge

Michael Bustos, PE, ENV SP

(805) 279-6870

mbustos@willdan.com

Office Location and Availability

Willdan maintains multiple offices throughout Southern California, including locations in:

- ✓ **Industry**: 13191 Crossroads Parkway North, Suite 405, Industry, CA 91746-3443
- ✓ **San Bernardino**: 650 E. Hospitality Lane, Suite 400, San Bernardino, CA 92408-3586
- ✓ **Anaheim** (Corporate Office): 2401 E. Katella Avenue, Suite 300, Anaheim, CA 92806
- ✓ **Ventura**: 374 Poli Street Suite 101, Ventura, CA 93001

Our Industry office, located approximately 60 miles from Palmdale, will serve as the primary location for this contract, with key personnel available to attend meetings at City facilities during normal business hours with reasonable notice. Our team is committed to being responsive to the City's needs and can be available for in-person meetings with 24-48 hours' notice. For urgent matters, virtual meetings can be arranged on shorter notice. Willdan understands the importance of having key personnel available for meetings at City facilities and is committed to providing responsive service throughout the contract period. Any changes in key personnel would be submitted to the City for approval prior to implementation, ensuring continuity of service and expertise throughout the contract period.



Michael Bustos, PE, ENV SP

Principal-in-Charge

Michael Bustos currently serves as Deputy Director of Willdan's Construction Services Group, which also encompasses geotechnical/materials testing and labor compliance services. He is responsible for construction management, analysis, design, and plan review of roadway reconstructions; drainage; water and sewer pipelines; pavement rehabilitation; and street projects including traffic signal, landscaping, irrigation, grading, and ADA improvements. Through his unique experience and vantage point of serving as a Design Engineer, Project Engineer, Project Manager, Resident Engineer, and Construction Manager, Mike has developed an expertise in public infrastructure planning, design, award, funding, and construction; he understands the varying unknowns project construction can present; and he tackles those unknowns by working with contractors, City staff, and other stakeholders to resolve challenges.

EDUCATION

BS, Civil Engineering (Magna Cum Laude), California Polytechnic State University, San Luis Obispo, CA

Caltrans Resident Engineer Academy

REGISTRATIONS / CERTIFICATIONS

Civil Engineer, California No. 73173

Envision Sustainability Professional, Institute for Sustainable Infrastructure No. 2696

24 YEARS OF EXPERIENCE

Relevant Project Experience

Ward Avenue Street and Sewer Rehabilitation, City of Ridgecrest, California. *Resident Engineer.* Willdan provided design, bidding assistance, construction management, inspection, labor compliance, materials testing, and federal funding administration for this $3 million federally funded street and sewer rehabilitation project on Ward Avenue between China Lake Boulevard (SR 178) and Downs Street. The work involved the reconstruction and rehabilitation of an existing asphalt concrete roadway, including PCC improvements, cold planing, excavation, subgrade preparation, compaction, pavement reinforcement grid interlayer, hot mix asphalt concrete, curb ramp reconstruction, utility cover adjustments, and striping. Additionally, this project included the removal and construction of 435 LF of 8" PVC sewer and sewer laterals and the replacement of 21 existing manholes.

Phase II Sewer Rehabilitation, City of Ridgecrest, CA. Resident Engineer. Willdan provided construction management, inspection, labor compliance, and materials testing services for this $7.8 million sewer system improvement project. The project entailed replacement or rehabilitation of the existing trunk sewer mains on China Lake Blvd and California Ave, and repairs on five residential streets where existing sewers were damaged by the 2019 earthquakes. The depth of the existing sewers varied from 8' to 15'. The work on China Lake Blvd consisted of open cut trench replacement of approximately 1,800 LF of existing 15" VCP sewer main with 15" PVC in the same alignment, and the work on California Ave consists of point repairs, open cut trench replacement of some segments of 18" VCP with 18" PVC, and cured in place pipe lining of other segments of 18" VCP. An extensive sewer bypass system was required to be installed and operated during trunk mainline replacement. Manholes within both streets are being reconstructed and epoxy coated. Following the sewer work on China Lake Blvd, the pavement on the southbound side of the street was rehabilitated by constructing a 2" ARHM overlay.

Affordable Housing and Sustainable Communities (AHSC) Improvements, City of Ridgecrest, California. *Project Manager/Resident Engineer.* This $9 million grant-funded project involves the removal and construction of AC and ARHM roadway overlay, PCC curb & gutter replacement, ADA ramp, PCC rolled curb, PCC sidewalk, PCC driveway entrance; ADA parking stall improvement; 24" and 42" storm drain pipe and manholes; roadway and City Hall parking signing and striping; traffic signal improvements; solar powered street light improvements; furnishing and installing bus shelters; and furnishing and installing landscape and irrigation system.



Ross Khiabani, PE, GE

Material Testing Engineer

Ross Khiabani has more than 40 years of professional experience in performing diversified geotechnical assignments involving soil mechanics and foundation engineering, soil stabilization, landslide analysis and stabilization, settlement evaluations, liquefaction studies, slope stability analyses, laboratory testing, and inspection services during construction operations. His vast experience includes providing engineering services for commercial, industrial, institutional, ports and harbors, public works, transportation (including major bridges, local roads, freeways and toll roads) and water and wastewater facilities projects. This broad base of experience has given him a unique insight into local geotechnical and seismic conditions, and construction processes. He has kept in close communication with local, city, county, and state reviewers and is familiar with governing codes and requirements.

EDUCATION

MS, Geotechnical, Engineering, California State University, Long Beach

Geology, Pahlavi University, Iran

PROFESSIONAL CERTIFICATIONS

Civil Engineer, California No. 37156

Geotechnical Engineer, California No. 2202

Civil Engineer, Nevada No. 11256

Civil Engineer, Arizona No. 27068

AFFILIATIONS

American Society of Civil Engineers, Geotechnical Group

Consulting Engineers and Land Surveyors of California

Geotechnical Engineers Association

American Public Works Association

Council of Civil Engineers and Land Surveyors

40+ YEARS OF EXPERIENCE

Relevant Project Experience

Florence Avenue Improvement Street and Sewer Project, City of Bell, California. *Material Testing Engineer.* Willdan provided project management, contract administration, construction observation, engineering support, utility coordination, material testing, and labor compliance services for the Street and Sewer Improvements Project on Florence Avenue from Atlantic Avenue to the Los Angeles River Bridge. The project involved upgrading the sewer main line from a 12" VCP to a 15" and 18" VCP; replacement or modification of sewer manholes; and reconnection of sewer laterals, as well as cold milling existing street pavement; constructing a rubberized asphalt concrete overlay; repairing damaged sidewalk, curb and gutter, and driveways; constructing new ADA curb ramps; adjusting utility covers to grade; and restoring traffic striping and markings.

Ward Avenue Street and Sewer Rehabilitation, City of Ridgecrest, California. *Material Testing Engineer.* Willdan provided design, bidding assistance, construction management, inspection, labor compliance, materials testing, and federal funding administration for this $3 million federally funded street and sewer rehabilitation project on Ward Avenue between China Lake Boulevard (SR 178) and Downs Street. The work involved the reconstruction and rehabilitation of an existing asphalt concrete roadway, including PCC improvements, cold planing, excavation, subgrade preparation, compaction, pavement reinforcement grid interlayer, hot mix asphalt concrete, curb ramp reconstruction, utility cover adjustments, and striping. Additionally, this project included the removal and construction of 435 LF of 8" PVC sewer and sewer laterals and the replacement of 21 existing manholes.

Bishop Storm Drain, City of La Habra, California. *Material Testing Engineer.* Willdan provided construction management and inspection for this drainage improvement project. The project includes replacement of an existing open channel with a 72" RCP storm drain (about 570 feet); water realignments; street pavement reconstruction; curb, gutter, sidewalk, and driveway reconstruction. The installation was completed within a very tight work space, with only a 12' wide drainage easement provided between private homes. The work area required a lot of coordination with the adjacent property owners and tenants who were greatly impacted by the construction activities.

Pavement Rehabilitation #501, City of Palm Springs, CA. *Materials Testing Engineer.* Willdan provided construction management, public works inspection, and material testing services for the City's $10 million citywide pavement rehabilitation project. The project involved pulverizing of the existing street sections, grading of the pulverized section, cement treatment, asphalt paving, ADA ramps, traffic markings, and other appurtenant work for over 100 streets throughout the city



EDUCATION

BS, Civil Engineering, California State University, Fresno

REGISTRATIONS

Civil Engineer, California No. C61164

Critical Path Method (CPM) Scheduler

25 YEARS OF EXPERIENCE

John Borquez, PE

Project Scheduler

John Borquez is a Civil Engineer with over 25 years of specialized experience in Critical Path Method (CPM) scheduling across transportation, infrastructure, power, and industrial construction sectors. He is highly skilled in applying AACE International's recommended practices for project planning, data validation, and forensic schedule analysis, ensuring accurate, defensible results.

John has extensive expertise in construction claims, change management, and time impact analysis. He has been formally recognized by the courts as an expert in CPM scheduling and has provided expert testimony in arbitration proceedings, demonstrating his ability to translate complex technical issues into clear, actionable findings.

At both Caltrans and in private consulting practice, John has supported large-scale projects by reviewing schedules for contract compliance, conducting constructability reviews, training engineers and contractors in CPM scheduling, and evaluating disputes involving delays, disruptions, and productivity issues.

Proficient in Primavera P6 and Microsoft Project, John leverages advanced scheduling tools to deliver reliable and efficient project outcomes, aligning with Willdan's commitment to technical excellence and client service.

Relevant Project Experience

John C. Borquez Consulting. *CPM Scheduling and Claims Consultant*.

- Provide advisory, consulting, and expert services on complex construction scheduling and claims.
- Conduct forensic schedule analysis involving delays, disruptions, constructive changes, and productivity issues.
- Evaluate disputes on power plants, multi-story industrial facilities, and large-scale infrastructure projects.
- Deliver expert reports and testimony for litigation and arbitration proceedings.

California Department of Transportation. *Transportation Engineer - Construction Support Unit*.

- Review and recommend actions on CPM construction schedules and Time Impact Analyses.
- Ensure contract compliance and provide technical support to construction engineers.
- Deliver CPM scheduling training to staff and contractors.
- Perform constructability reviews and develop baseline CPM schedules for design-phase estimates.

California Department of Transportation. *Transportation Engineer – Change Order Support Unit.*

- Reviewed regional change orders for compliance with policy and procedures.
- Trained engineers in change order preparation and process.
- Maintained CCO database and prepared management reports.



LICENSES, REGISTRATIONS, AND CERTIFICATIONS

Contractors' State License Board CSLB 1026252 Classes A, B & C-10; Certified Construction Manager CCM 8650; Certified Safety Playground Inspector CPSI 21082; Project Management Professional (PMP); Certified LEED Accredited Professional 11161222-APBD+C; Certified Erosion Sediment & Stormwater Inspector CESSWI 8884; Qualified Stormwater Practitioner QSP 28351; CASp-ADA Compliances Certificate; Certified Environmental Specialist (CES); Certified Construction Quality; Management USACE CQM-C; State of CA Notary Public COMM 2355621; EV Charger Certified Installer; OSHA 30.
DRE #02220307

EDUCATIONAL BACKGROUND

BS. Civil Engineering: ASU
JD. Law: NWCU School of Law(candidate)

24 YEARS OF EXPERIENCE

Michael Michael, CCM, CQM, QSP, CESSWI, CES

Senior Construction Manager, QSP Incpector

Mr. Michael has 24 years of proven experience in project management and construction including infrastructure, wet and dry utilities in the public works, healthcare, industrial, GSA, educational K-12 facilities, and commercial markets. He has provided numerous consultant services which included site visits, defining project scenarios, overviews, case studies, vendors' comparisons, industry best practices and recovery of energy costs. He also has extensive experience utilizing Virtual Project Manager.

Experience and Work History

Paramount Park Community Center Expansion, City of Paramount, CA. *Project Manager.* This Community Center expansion project will support the robust number of Senior programs and activities. Exterior improvements will include renovations associated with the southeast building expansion to tie into the existing roof and façade, demolition of the exterior workout equipment at the open-air trellis, with renovation for a newly screened outdoor senior lounge, and new landscape and hardscape within approximately 8,500 sf to the southeast of the existing building. The existing northwest outdoor patio will receive renovations to the furred-out columns and pilasters, with new metal panel screens for a private outdoor space connected to the meeting room. Interior improvements will include the remodel and renovation of the banquet hall and stage, storage and A/V room, workout room, card room, music room, pool (billiards) room, craft room, meeting room, offices, and restrooms. The serving room will receive a new look facing the banquet hall and the adjacent coffee station will be designed as an integrated element with controlled access.

Awen Solutions Group. *Senior Project Manager.* As a veterans affairs owners rep, Mr. Michael managed a $110 million VA hospital Improvements & Expansion Project, a $55 million Design/Build VA 148 multi-unit affordable housing Project, and a $12 million Parking Mitigations project. His responsibilities included oversight of three project managers, three superintendents and providing leadership while implementing rapport with construction professionals throughout the project different phases. He established scopes of work which encompassed detailed breakdown of each project as well as phasing of items with targeted completion dates for each phase by reviewing general conditions, specifications, blueprints, and addendums. He also verified quantity, productivity, and generated approvals for progress billings per owner/ project requirements using company proprietary tracking software while generating monthly budgets to determine cost to completion on monthly basis.

Northrop Grumman Corp. *Facilities Engineer/Senior Project Manager.* Worked on various projects such as the $85 million East High Bay Expansion and $6.5 million M2 Modernization. M2 Modernization project role consisted of monitorization of performance and improvement suggestions, maintained project administration in a correct and timely manner.

GKK/Cannon Design. *Senior Construction Manager.* Managed various projects, such as the $55 million Bakersfield College GYM and Field House "GMP" in Bakersfield, CA, the $18 million Design/Build Project for the New Administration Building for West Hills College in Coalinga, CA, and the $6.5 million ADA Campus Wide Barrier Removal Project in Santa Clarita, CA. In this role, his responsibilities included preparing cost estimates, cost analysis and budgets for projects with projected forecasts; evaluating and assessing bids and project costs in the light of independent estimates and available data; evaluating and assessing equipment and recommending designs for the project team; designing, develop and initiating site-specific safety plans including an accident-free safe work environment; leading, directing, assisting and supporting construction teams to ensure deliverable

processes on time and within the budget; reviewing, analyzing and approving expenditures for ongoing projects on a timely and periodic basis; preparing detailed, accurate timely project reports including work schedules, implementations, deviations, change in subcontractors, customer issues and other related problems; and updating and documenting all project schedules including implementation phases in a project and the management aspects.

AEC Development, Inc. *Estimator and Scheduler.* Worked on various projects including $4.7 million AGIA Pharmacy & Cafe (Design/Build contract) in Tehachapi, CA, $36 million 48-Units Multi-unit Building Apartments (Design/Build contract) in Riverside, CA, and $44.6 million Rowland HS Classrooms Additions in Rowland Heights, CA.

SSC Construction. *Project Manager*. Managed multiple projects including the $95 million Henry C. Garnett Water Treatment Plant Purification (Design/Build) Project for Kern County Water Agency in Bakersfield, CA. In this role, his duties included supervising, managing & preparing the following: Material, Resources Control & Tracking; Rebar Detailing & On Screen Take off; Mass grading, earthwork, over-excavation, backfilling & compaction; Heavy Civil, Asphalt & concrete work; Managing subcontractors and vendors; Coordinating submittals with various design consultants; Generating RFI's & Change Orders; Maintaining Cal OSHA Safety Compliance Standards; Preparing Shop Drawings & Details; Concrete & Steel Structures Erection and Supervision; High Voltage & Low Voltage Electrical equipment; Dewatering & Groundwater Level Monitoring; Site infrastructure (wet & dry utilities); SWPPP Monitoring & Implementations; Testing and videotaping; Preparing of Potential Claims and Change orders; Delay Time impact analysis; Evaluating Cost Overruns; Subcontractors & vendors Claims analysis & evaluation; Contractual Risk Identification and Mitigation; Reviewing baseline, weekly and monthly progress construction schedule, evaluating delays, and preparing schedule review reports; and Monitor & Improve labor productivity.rates.

Minco Construction Inc dba Minako Corp. *Project Engineer/Estimator.* Worked on various projects including $26 million Cerritos Infrastructure & Central Plant Bldg. (Design/Build) in City of Norwalk, CA, $6.7 million Costa Mesa Community College new classrooms additionin Costa Mesa, CA, and $5.5 million Santa Monica College Parking Lots Improvements in Santa Monica, CA. In this role, his duties included preparing bid documents; preparing complete take offs and cost estimates based on project plans, specs. and addendums; preparing bid tabulation spreadsheets; negotiating prices with vendors and subcontractors; coordinating submittals with the architect and engineering consultants; generating as needed pre-bid request for clarifications; preparing bid pre-qualification packages; preparation of procurement plans; and complete understanding of recent project labors ‘agreements "PLA", “Davis Bacon” and/ or “PW” rates and classifications.



EDUCATION

BA, Linguistics, University of Kansas, Lawrence, KS

Attorney Assistant Training Program, Litigation/ Corporations, University of California, Los Angeles, CA

35 YEARS OF EXPERIENCE

Jane Freij

Labor Compliance Manager

Jane is an experienced Labor Compliance Officer/Project Manager with a proven track record of profitability achieved through comprehensive and effective management of time and budget. Her key areas of expertise include state and federal labor law compliance, scheduling and budgeting, contract administration/negotiation, policy and procedure development, and legal writing/editing. Jane provides oversight of labo r compliance monitoring services for local, state, county, and federally funded projects under the Federal Emergency Management Agency (FEMA), the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), the U.S. Environmental Protection Agency (EPA), and the U.S. Department of Housing and Urban Development (HUD), among others. She is familiar with the FHWA federal funding administration process from field review and request for authorization to final invoicing. Jane has received specialized training in project reporting requirements and fraud detection and prevention procedures.

Jane's background includes developing and negotiating contracts; monitoring and enforcing contractual compliance; risk management coordination; and managing a multi-state licensing project for an energy services subsidiary. She also possesses a strong legal background, having served as a paralegal and senior paralegal for real estate, land development, and contract law litigation attorneys.

Relevant Project Experience

Various Cities, Federal Labor Compliance – Jane has provided supervisory federal labor compliance services in the following cities:

- Azusa
- Baldwin Park
- Bell
- Bell Gardens
- Bellflower
- Brea
- Burbank
- California City
- Calimesa
- Cerritos
- Coachella
- Commerce
- Corona
- Cudahy
- Davis
- Hawaiian Gardens
- Highland
- Huntington Park
- Inglewood
- La Cañada Flintridge
- La Mirada
- La Puente
- Lakewood
- Long Beach
- Los Alamitos
- Manhattan Beach
- Maywood
- Monterey Park
- Orange
- Paramount
- Pico Rivera
- Pomona
- Rancho Palos Verdes
- Rialto
- Ridgecrest
- Rolling Hills Estates
- Rosemead
- Sacramento
- Santa Ana
- Santa Clarita
- South Gate
- South Lake Tahoe
- South Pasadena
- Thousand Oaks
- Westlake Village
- Whittier
- Winters
- Yorba Linda

Specific Project Experience

City of Inglewood, La Brea Avenue Pavement Reconstruction, Phases II and III – Jane was the *Labor Compliance Officer* for these projects, with a construction cost of $12 million, funded through the Federal Highway Administration (FHWA) and administered by the California Department of Transportation (Caltrans). She enforced federal wage and DBE regulations, monitored contractor/subcontractor submissions, and resolved deficiencies.

City of Azusa, Arrow Highway Street Resurfacing – Jane was the City's *Labor Compliance Officer* for this $3 million project funded by a Highway Safety Improvement Program (HSIP) grant from FHWA, administered by Caltrans. She monitored over one dozen subcontractors and assisted the City with DBE Program administration.



20 YEARS OF EXPERIENCE

Cris Valenzuela

Public Works Inspector

Cris Valenzuela is a Public Works Inspector with 20 years' experience. He has inspected, coordinated, and supervised various pipeline projects involving sewer, storm drain, and water system improvements, as well as numerous pavement rehabilitation projects. He has hands on construction experience with replacing pipe, trenching, paving, and concrete work. He has experience with scheduling, cost estimation, material orders and change orders. Mr. Valenzuela displays strong leadership and decision-making qualities. He also has extensive experience utilizing Virtual Project Manager.

Relevant Project Experience

PN 918 2025 Overlay Program, City of Palmdale. *Public Works Inspector.* Willdan provided public works inspection and materials testing for the City's 2025 Overlay Program.

Main Street and Providence Avenue Sewer Improvements and Tustin Street Storm Drain Rehabilitation, City of Orange. *Public Works Inspector.* This project involving trenchless rehabilitation of a 50"x31" Asphalt Dip Arch CMP storm drain, replacement of 360 LF of 10" VCP sewer main, and sewer manhole reconstructions and remodeling..

Citywide Sewer Main Replacement, City of Hemet, CA. *Public Works Inspector.* The project included the removal and replacement of existing sewer mains in Acacia Avenue, Devonshire, Buena Vista, Vista Del Monte, Weston Park/Saint John Place, Harvard Street, Apricot Lane, and sewer lining in Harvard Street, Elmwood Avenue, and Juanita Street.

FY 24-25 Sewer Pipeline Rehabilitation Project, City Project No. 709-SWR, City of South Gate, CA. *Public Works Inspector.* The Sewer Pipeline Lining and Improvements project consisted of replacement of four segments of sewer lines totaling approximately 690 LF, two point repairs averaging 15' in length, cured-in-place pipe (CIPP) lining of approximately 16,000 LF of 8" – 18" sewer mains, construction of 6 new manholes and rehabilitation of 21 additional manholes in the City's sewer system.

Highway 111 Pavement Rehabilitation and Overlay Project, Phase 2, City of Indian Wells, California. *Public Works Inspector.* Willdan provided construction management and public works inspection services for phase 2 of this project from Eldorado Drive to the Eastern city limits, which consists of asphalt grinding, paving and repair, concrete improvements, and signing and striping.

Coyote Creek and Imperial Channel Repair Project (Design/Build), City of La Habra, CA. *Public Works Inspector.* The $8 million Deign/Build Project consists of the repair of a drainage channel located within the common interest development located at 901-997 West Imperial Highway in the City of La Habra known as Coyote Village. -Grant Agreement between the City and the HOA.

Stormwater and Runoff Capture Project at Mayfair Park, City of Lakewood, California. *Public Works Inspector.* The work included export, excavation, shoring beam and plate, installation of 914 underground storage units, replacement of sidewalks, a stormwater harvesting system which included filter pumps, diversion structure, rubber dam, pneumatic control, sewer lines, recycled water line, storm drain pipes, catch basins, and fencing.

Barton Road Pavement Rehabilitation Project, City of Grand Terrace, California. *Public Works Inspector.* Willdan provided public works inspection for the Barton Road Pavement Rehabilitation CIP project, which includes cold milling, ARHM paving, PCC repairs, and other appurtenant work.



EDUCATION

Construction Technologies/Inspection, Ventura County Community Colleges, California

REGISTRATIONS / CERTIFICATIONS

Certified Master of Special Inspections

ACI Field Grade 1 Technician

Uniform Building Code (UBC) Building Inspector

Title 24 Masonry Special Inspector

Division of the State Architect (DSA) Special Inspector

Reinforced Concrete Special Inspector

Structural Masonry Special Inspector

Structural Steel & Bolting Special Inspector

Structural Welding Special Inspector

Drilled In Anchors Special Inspector

Pre-stressed Concrete Special Inspector

LA County Concrete and Welding Inspector

21 YEARS OF EXPERIENCE

Brent Jablonowski

Alternative Inspector/Special Inspector

Brent Jablonowski has 21 years of experience as a public works observer, special inspector, and building inspector professional with extensive structural expertise. He has worked on civil projects with grading, driveway approaches, curbs, gutters, and sidewalks; ADA ramps; utilities and drainage; batch plants and precast plants; pavement rehabilitation, as well as soils work with nuclear gauge and burn tests and moisture cores and sampling. He has extensive experience utilizing Virtual Project Manager.

Relevant Project Experience

Heritage Valley Parks Tract 5520 Public Improvements, City of Fillmore, California. *Special Inspector.* Willdan provided daily inspection services for the $40 million developer-built and City-maintained offsite storm drain improvements, all onsite utilities, and other public improvements associated with the construction of residential development "The Bridges". The offsite improvements involved approximately 1,750 linear feet of double reinforced concrete box, 1,100 lineal feet of single reinforced concrete box, 800 linear feet of open channel, 600 linear feet of RCP, and levee modification. The onsite improvements encompassed all wet (sewer and water) and dry utilities, street and drainage improvements, landscaping and irrigation, and roadway structural sections to support the development.

Crenshaw Boulevard Phase 1 Improvements, City of Inglewood, CA. *Public Works Inspector.* Willdan is providing construction management, inspection, and material testing services for this $20 million project to beautify and improve the Crenshaw Blvd corridor between the I-105 freeway and Century Blvd. The work includes removal and reconstruction of existing driveway approaches, sidewalks, curb and gutter, cross gutters, curb ramps, and bus pads; new irrigation water services and abandonments of existing water services; median and parkway landscaping, tree removals and planting, irrigation system, and cold milling and asphalt rubber hot mix overlay. The project involves regular coordination with Caltrans, the City of Hawthorne, and the City of Inglewood's Traffic Department, Water Department, Public Works, and Park and Recreation.

Acacia/Josephine Storm Drain Project, City of Garden Grove, California. *Public Works Inspector.* Willdan is provided public works inspection and construction management services for the installation of a new 48" storm drain at Acacia and Josephine.

Major Street Rehabilitation, City of Lakewood, California. *Public Works Inspector.* Willdan provided construction management, public works observation, labor compliance, and material testing services for the City's 2022 Major Street Paving Project. The project involved pavement rehabilitation, (cold milling, leveling course, asphalt rubber hot mix overlay, thermoplastic striping, traffic loops, curb ramps, sidewalk, curb and gutter) on eight major and collector streets, for an estimated total distance of eight (8) linear miles.

Caruthers Park Stormwater Capture Project, City of Bellflower, California. *Public Works Inspector.* This project included excavation, backfill, channel, drop inlet pretreatment device, one new pump station, installation of new pump motors, mechanical and storm drain piping valve, abandoning or removing existing utilities, pavement removal and replacement, unloading the precast storage reservoir and infiltration gallery units, installing and waterproofing of underground storage reservoir, installing underground infiltration gallery, installing maintenance access shafts for underground storage reservoir and infiltration gallery, installing impervious liner around underground storage reservoir, installing air ventilation lines for the underground storage reservoir and infiltration gallery building, installation water quality skid, electrical, instrumentation and controls, planting, and irrigation to support the stormwater and runoff.



EDUCATION

AS, Human Resources Management, Mount San Antonio College

AS, Business Administration, Mount San Antonio College

PROFESSIONAL CERTIFICATIONS

Certificates of Achievement, Business Management I-III

Certificates of Achievement, Human Resources Management I-III

Certificates of Achievement, International Business I

16 YEARS OF EXPERIENCE

Amanda Perez

Labor Compliance Specialist

Ms. Perez performs labor compliance monitoring and enforcement services on a variety of local, county, state, and federally funded projects. She verifies that all primary and subcontractors possess active licenses and certifications and establishes communication with primary contractor(s) concerning prevailing wage and documentation requirements. She monitors and audits certified payrolls during the life of the project for compliance and discrepancies concerning prevailing wage, certifications, non-performance, underpayments, job classifications, and journeyman to apprentice ratios, as well as training fund contributions and fringe benefits statements. She responds to inquiries concerning labor compliance rules and requirements and resolves compliance-related issues, as well as maintains files and documentation in accordance with applicable governmental requirements for submission to clients.

Ms. Perez also supports the Construction Management and Inspection Department and is responsible for issuing invoicing, progress payments, maintaining detailed, accurate records, and for auditing projects for accuracy, completeness and compliance.

Relevant Project Experience

Sewer Rehabilitation Project, City of Hemet, California. *Labor Compliance Specialist.* Willdan provided construction management and inspection, as well as labor compliance services, on this project which consisted of removal and replacement of existing sewer mains in Acacia Avenue, Devonshire, Buena Vista, Vista Del Monte, Weston Park/Saint John Place, Harvard Street, Apricot Lane, and sewer lining in Harvard Street (Station 10+00 to 14+75), Elmwood Avenue, and Juanita Street. The project also included construction of new manholes, reconnection of service laterals, concrete encasement at Weston Park/St John Place, VCP to PVC connections, trench repair and other appurtenant work.

Florence Avenue Street and Sewer Improvements, City of Bell, California. *Labor Compliance Specialist.* Willdan provided project management, contract administration, inspection, engineering support, utility coordination, material testing, and labor compliance services for the Street and Sewer Improvements Project on Florence Avenue from Atlantic Avenue to the Los Angeles River Bridge. The project involved upgrading the sewer main line from a 12" VCP to a 15" and 18" VCP; replacement or modification of sewer manholes; and reconnection of sewer laterals, as well as cold milling existing street pavement; constructing a rubberized asphalt concrete overlay; repairing damaged sidewalk, curb and gutter, and driveways; constructing new ADA curb ramps; adjusting utility covers to grade; and restoring traffic striping and markings.

Neighborhood Street Rehabilitation & ADA Improvements at Two Rivers Park, City of Fillmore, California. *Labor Compliance Specialist.* Willdan provided construction management, inspection, material testing, and labor compliance services for City's annual street resurfacing project. The project involved street improvements on six street segments to rehabilitate the asphalt pavement, including cold milling existing pavement and constructing AC digouts and a rubberized asphalt concrete overlay with high tensile fiber; repairing damaged sidewalk, curb & gutter, ribbon gutters, and driveways; constructing new ADA curb ramps; construction ADA parking stalls; adjusting utility covers to grade; and restoring traffic striping and pavement markings.



EDUCATION

BS, Civil Engineering, California State Polytechnic University, Pomona, CA

REGISTRATIONS / CERTIFICATIONS

Traffic Engineer, California No. 2835

Civil Engineer, California No. 83887

Civil Engineer, Colorado No. 56366

Civil Engineer, Arizona No. 70072

Civil Engineer, Florida No. 91068

Civil Engineer, Minnesota No. 59453

Civil Engineer, Nevada No. 28303

Civil Engineer, Texas No. 140012

Civil Engineer, Washington No. 58065

Envision Sustainability Professional, Institute for Sustainable Infrastructure No. 45376

AFFILIATIONS

American Public Works Association

22 YEARS OF EXPERIENCE

Jeffrey Lau, PE, TE, ENV SP

Traffic Engineer

Jeffrey Lau is an accomplished engineer with experience delivering multi-discipline, multi-agency traffic and transportation projects, including traffic signals, signing and striping, street lighting, and construction traffic control. He oversees transportation design for Willdan's traffic engineering group and manages projects ranging from small to large scale. His responsibilities include coordination, analysis, and design of transportation improvements, including preparation of plans, specifications, and estimates (PS&E); field investigations; and traffic data collection. He has also supported traffic impact studies, plan reviews, and engineering and traffic survey updates. Jeffrey brings extensive hands-on experience, having completed designs for more than 400 new and modified traffic signal installations, as well as street lighting inventories, lighting design plans, conversions, and LED upgrades. He understands the importance of meeting schedules and delivering cost-effective solutions within budget constraints and has supported successful grant funding applications, including awards through the Active Transportation Program (ATP) and Highway Safety Improvement Program (HSIP).

Relevant Project Experience

On-Call Traffic Engineering Services, City of Paramount, CA. *Project Manager.* Responsible for providing professional traffic engineering services to the City of Paramount on a routine basis. Duties included field reconnaissance and data collection; resident request investigations and work order preparation; traffic signal, signal interconnect, signing and striping, and traffic control plan reviews; funding documents preparation to request reimbursement of federally funded projects; and traffic and civil improvement conceptual design plans and council exhibit preparation.

On-Call Traffic Engineering Services, City of Pico Rivera, CA. *Project Manager.* Willdan is serving as City Traffic Engineer and provides on-call traffic engineering services. Typical duties include design oversight, response to residents' and businesses' requests, review of traffic and parking impact studies, review of development projects, development of "conditions of approval", review of traffic signal and traffic control plans, preparation of work orders, operational analysis, development of City's Neighborhood Traffic Calming program, attendance at City Council and Planning Commission meetings as requested.

City Traffic Engineer/On-Call Traffic Engineering, City of Inglewood, CA. *Task Manager/Project Traffic Engineer* responsible for traffic studies and design services through our staff augmentation City Traffic Engineer contract. Willdan staff review and make recommendations on residents' requests for stop signs, crosswalks, permit parking, and speed humps; review plans, specifications, and estimates for various projects; prepare staff reports; attend Parking and Traffic Commission meetings; prepare traffic signal and signing and striping plans, specifications, and estimates; prepare timing charts for citywide signal coordination timing and individual traffic signals; prepare studies for CMP, warrant analyses, traffic-calming measures, and other areas of concern.

On-Call City Traffic Engineering, City of La Cañada Flintridge, CA. *Project Manager.* Willdan is serving as City Traffic Engineer for the City of La Cañada Flintridge and provides on-call traffic engineering services. Day-to-day tasks encompass all general traffic engineering concerns, such as reviewing traffic impact studies and traffic control plans, collaborating with developers and their design teams, reviewing encroachment, approving transportation permits, preparing and reviewing traffic signal and striping plans, performing stop sign and safety analyses, preparing and presenting Commission and Council reports, collaborating with neighborhood groups to develop traffic calming plans/programs, conducting field investigations, and investigating citizen requests.



Peri Kay

Project Administrator

EDUCATION

Master of Science, Civil/Construction Engineering, Viterbi School of Engineering, University of Southern California, Los Angeles, CA

Bachelor of Science, Civil Engineering (Magna Cum Laude), West Virginia State University, Institute, WV

ASSOCIATIONS

USC Construction Management Association of America (CMAA)

USC Viterbi Women in Engineering

Society of Women Engineers

2 YEARS OF EXPERIENCE

Peri Kay is a dedicated civil engineering professional with a strong foundation in roadway, bridge, and construction engineering. She has gained hands-on experience through internships and academic projects, where she contributed to plan analysis, construction inspection, and design detailing for transportation and infrastructure projects. Her background includes supporting multidisciplinary teams, coordinating field inspections, and applying engineering software such as MicroStation, AutoCAD, and SAP2000. As an Office Engineer in the Construction Services Group, Peri brings proven analytical skills, attention to detail, and a collaborative approach that supports effective project delivery and enhances team performance. She also has extensive experience working in Virtual Project Manager.

Crenshaw Boulevard Phase 1 Improvements, City of Inglewood, CA. *Office Engineer.* Willdan is providing construction management, inspection, and material testing services for this $20 million project to beautify and improve the Crenshaw Blvd corridor between the I-105 freeway and Century Blvd. The work includes removal and reconstruction of existing asphalt concrete, driveway approaches, sidewalks, curb and gutter, cross gutters, curb ramps, and bus pads; new irrigation water services and abandonments of existing water services; median and parkway landscaping, tree removals and planting, irrigation system, and median electrical and landscape lighting system; traffic signal modifications, ITS improvements, and street lighting; and cold milling and asphalt rubber hot mix overlay. The project involves regular coordination with Caltrans, the City of Hawthorne, and the City of Inglewood's Traffic Department, Water Department, Public Works, and Park and Recreation.

Coyote Creek and Imperial Channel Repair Project (Design/Build), City of La Habra, CA. *Office Engineer.* The $8 million Design/Build Project consists of the repair of a drainage channel located within the common interest development located at 901-997 West Imperial Highway in the City of La Habra known as Coyote Village. The drainage channel ties into a County flood control system. The Project consists of a series of design elements necessary for the channel reach to convey the discharge in its original design capacity or better, mitigate a potential channel roof and/or channel masonry wall collapse due to a storm event and meet regulatory agencies' requirements. These design elements consist of construction of double reinforced concrete boxes (RCB), and stabilizing the existing masonry walls. Upon completion of the repairs to the channel, the area impacted by prior channel roof collapse was restored, including landscaping, irrigation, lighting, drainage, hardscape, tennis court, pool deck, fencing, signage and other amenities. While the Project is on private land, it is being funded by with State funds from the California Department of Water Resources and is thus subject to many public works contract requirements. The City administers the distribution of allocated State funds and ensures compliance with its obligations under the Funding Agreement (Agreement No. 4600015471) between the State of California (Department of Water Resources) and the City. The HOA is responsible for the completion of all other aspects of the Project, pursuant to the Sub-Grant Agreement between the City and the HOA.

Previous Work Experience

The Mannik & Smith Group, Charleston, WV. Civil Engineer Intern

- Analyzed roadway and bridge plans, contributing to project design and construction.
- Prepared sheet details including elevations, dimensions, and construction notes.
- Conducted site visits for construction inspection and progress tracking.
- Gained proficiency in engineering CAD software and design techniques.



EDUCATION

BS, Civil Engineering, University of Texas, Arlington

PROFESSIONAL CERTIFICATIONS

Orange County GIS User Group

Southern California HAZUS User Group

30+ YEARS OF EXPERIENCE

Rex B. Miller

Interactive Mapping

Rex Miller has 30+ years of experience as a civil engineer, including 8 years of experience providing technical support to civil engineering software users. He coordinates all GIS-related activities at Willdan Engineering, and provides GIS consulting, training, and staffing support throughout the Willdan Group of Companies (WGI). He is responsible for training engineers and technicians in the use of GIS, and works with the IT Department to acquire, install and configure GIS hardware and software. He supports WGI's disciplines in municipal planning, public agency accounting and financing, geotechnical engineering, environmental engineering, land surveying, traffic analysis, transportation planning, and public safety operations solutions in emergency response and disaster management.

Mr. Miller uses GIS to support administration, planning, and management activities of government agencies, is proficient in the use of CAD systems and provides expertise in CAD/GIS interoperability. He is familiar with software for hydraulic modeling and coordinate-geometry calculations and has experience in optimizing GIS databases for use as a data source for analysis and design applications. He is experienced in linking spreadsheets and databases to interact with GIS

Relevant Project Experience

Willdan developed citywide LRSPs to identify safety problems, collision hot spot locations, identify systemic trends, and develop recommendations for safety improvements. The LRSP provided each jurisdiction with an opportunity to proactively correct high collision or problem locations and prevent local road fatalities and injuries. A list of intersections and corridors with the most high-severity collisions was identified and a closer analysis was presented for each of the top intersections and corridors. GIS maps were developed for each jurisdiction to identify hot spot locations with a high amount of severe crashes. Other maps were developed to identify locations of schools, parks, and other community destinations, as well as maps of only pedestrian and bicycle crashes, intersection related crashes and midblock crashes.

Mr. Miller has experience working with various agencies and developing GIS maps on the following Local Road Safety Plan/ Systemic Safety Analysis Report projects.

- City of Bell (2021)
- City of Downey (2022, 2024)
- City of Inglewood (2022)
- City of La Canada Flintridge (2018, 2024)
- City of La Puente (2022)
- City of Lakewood (2022)
- City of Paramount (2022)
- City of Ridgecrest (2019)
- City of Rolling Hills Estates (2022)
- City of West Covina (2018)
- County of Napa (2020)

Sarah Modeste, Partner

Sarah is highly regarded for her expertise in designing and managing public outreach and communication programs. With more than 21 years of experience (16 years with KMP), she advises clients on public policy education, design/construction outreach, and stakeholder identification and engagement. As a trusted advisor to local governments, Sarah relates to stakeholders and establishes trusted relationships that provide opportunities for collaborative communication with hard-to-reach constituents.

Considered one of the primary practitioners in construction outreach, Sarah has been fortunate to work on some of the largest capital improvement projects throughout California, totaling more than $3 billion in construction activities. She uses her technical understanding of project planning, design, environmental requirements, and construction to shape comprehensive outreach strategies.

City of Sacramento, 3rd Street Sewer Project

The 3-mile project alignment ran the entire length of 3rd Street between the Sacramento Valley Station and U Street, a stretch that includes some of the City's most prominent businesses and high traffic areas, including: Golden1 Center, Capitol Mall, CalPERS Headquarters, Crocker Art Museum, Old Sacramento Waterfront, and two Interstate 5 connection points, residences, and many others. Significant outreach was conducted in advance of construction to gather information regarding special events, peak traffic flows and delivery schedules. KMP was key in establishing relationships, providing direct lines of communication, and allowing the construction management team to evaluate changes in real time to keep the project moving forward.

City of West Sacramento, West Capitol Avenue Road Rehabilitation & Safety Enhancement Project (WCA)

The WCA is a $1.3 million road rehabilitation and safety enhancement project. West Capitol Avenue is envisioned as the City's downtown, a central core with a vibrant main street that takes advantage of its prime location, provides an attractive setting for a variety of land uses including the Civic Center, Community Center and Transit Hub. KMP is responsible for the development, production, and management of the multifaceted outreach campaign, which includes stakeholder engagement, community outreach, direct mail production, website management, a dedicated information line, ribbon-cutting ceremony logistics, and media relations.

Sutter Butte Flood Control Agency (SBFCA)

The SBFCA JPA was formed in 2007 to finance and construct more than 35 miles of new and upgraded levee improvements that would protect 34,500 parcels within Sutter and Butte Counties and more than 100,000 residents. Public outreach activities associated with the design, environmental, tribal coordination, and more than $300 million in construction activities, including outreach to individual property owners. In addition to public outreach, relationships were established and maintained with a 13-member Board of Directors, comprised of elected officials.

Harvest Water Program – California's Largest Recycle Water Project

Harvest Water is anticipated to be one of the largest water recycling projects in California, delivering up to 50,000-acre feet per year of tertiary-treated recycled water to an estimated 16,000 acres of farm and habitat lands in southern Sacramento County. The program will also increase groundwater levels and groundwater storage capacity, support habitat improvement efforts, and advance regional water sustainability. Design for the Harvest Water program is complete. Construction began in Summer of 2024 and slated for completion in 2026. KMP is responsible for the development, production, and management of a multifaceted outreach campaign, which includes key contacts engagement, community outreach, direct mail production, website design, a dedicated hotline, media communication, and elected official coordination.

KMP STRATEGIES

CONTACT

Office Address: 1721 2nd St, #100
Sacramento, California 95811

(916) 548-1982

sarah@kmpstrategies.com

www.kmpstrategies.com

linkedin.com/in/sarahmodeste

EDUCATION

University of Tulsa, 2003
Bachelor of Arts
Communication & Sociology

AFFILIATIONS

- Sacramento Tree Foundation's Hanami Line, Board Member
- Food Literacy Center, Past President
- APWA, Member
- CAPIO, Member
- WTS, Sacramento Chapter (DBE Corporate Partner)



Quality Assurance/Quality Control Procedures

QA/QC protocols will be maintained throughout all project phases to ensure compliance.

1. Tailored QCP Development: Prior to project kickoff, we will outline specific QA/QC activities, roles, review checkpoints, documentation protocols, and reporting formats.

2. Qualified Multi-Disciplinary QA/QC Team: Our QA/QC oversight is provided by experienced professionals independent of day-to-day production staff. This ensures objective reviews of all deliverables while promoting accountability and continuous improvement. Oversight will include spot checking of daily inspection reports and periodic review of Virtual Project Manager files and Willdan's internal Box folder archives.

3. Deliverable-Based QA/QC Workflow

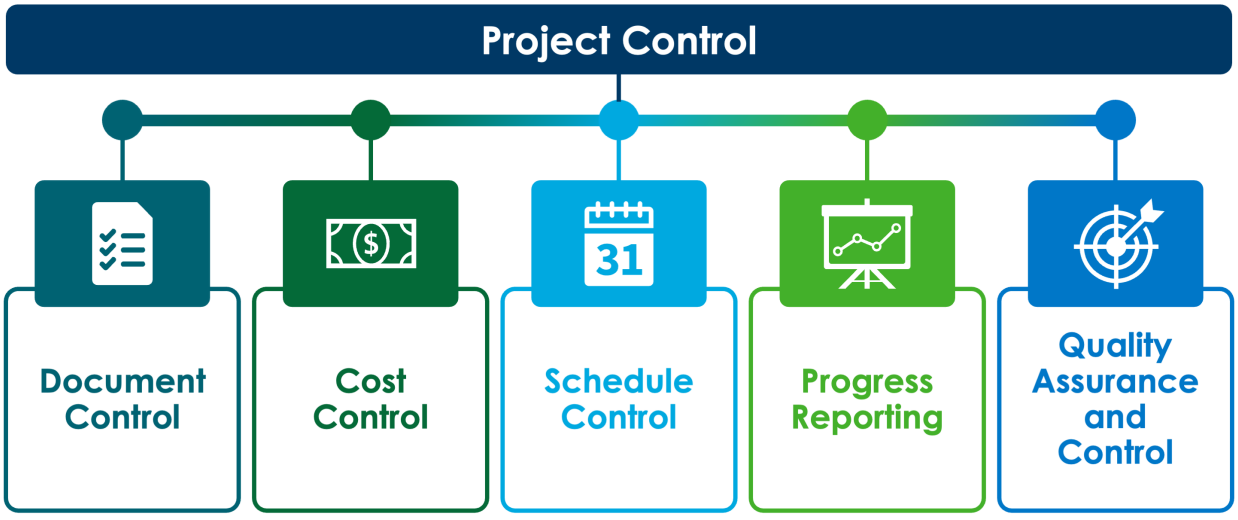
Constructability Review: Pre-construction assessments will be performed to identify existing conditions, validate scope, and optimize constructability. Field-experienced inspectors and construction managers evaluate plans for feasibility, phasing logic, utility coordination, access, and potential conflicts. Internal cross-discipline coordination checks ensure drawings, schedules, and specifications are consistent across all design and technical packages. This reduces RFIs and change orders during construction.

QA/QC Control Review: Prior to submission, deliverables undergo a final quality control check for formatting, adherence to submittal requirements, and traceable documentation of prior review comments.

4. Communication: Willdan's intent is to be the main hub through which all project communications are routed. Lines of communication will be discussed and clarified at the kickoff meeting with the City and at the preconstruction meeting with the contractor. Maintaining proper lines of communication provides for proper control over direction being provided to the Project Team.

5. Documentation and Issue Resolution: Project issues are identified and tracked through resolution. Lessons learned are logged for future task optimization and risk mitigation.

6. Field QA During Construction: Willdan will provide construction oversight with regular inspections, documentation control, and quality assurance measures. During construction, our inspectors and construction managers monitor work for conformance with approved plans, specifications, and materials. Non-conformance reports (NCRs), daily reports, and testing logs are maintained and submitted. RFI and submittal logs are created through Virtual Project Manager and reviewed at each construction progress meeting to ensure timely responses.





Schedule Control

Willdan's approach to schedule control is rooted in proactive planning, continuous monitoring, and real-time coordination. Our goal is to maintain the project schedule from award of contract through substantial completion by highlighting potential constructability concerns during design review, identifying potential delays early, responding quickly to field conditions, processing RFIs, submittals, and change orders in a timely manner, and keeping all stakeholders informed and aligned. We use a combination of industry-standard tools and clear communication protocols to ensure the construction schedule remains on track.

1. Baseline Review and Integration: Upon receipt, we will conduct a thorough review of the contractor's baseline schedule, verifying logic ties, critical path accuracy, sequencing, and milestone alignment with the City's goals. Our team coordinates with the contractor to ensure the schedule reflects realistic durations, lead times for long-lead items (e.g., fencing, play equipment, irrigation components), and seasonal considerations relevant to Palmdale's climate.

2. Weekly Progress Tracking: Our field inspectors and construction managers provide real-time input to evaluate actual vs. planned progress. We will require the contractor to submit updated schedules monthly (or more frequently if needed) in Primavera P6 or MS Project. Our in house scheduling team will analyze these updates to identify deviations from the critical path and recommend corrective actions if progress begins to slip.

3. Look-Ahead Schedules and Coordination: We require and review two- to four-week look-ahead schedules from the contractor as part of the weekly progress meetings. These are cross-checked with field conditions and material delivery schedules. This process allows us to proactively mitigate conflicts such as overlapping trades or access restrictions due to public park operations or weather events.

4. Delay Mitigation and Recovery Planning: When delays are encountered, our team collaborates with the contractor to analyze root causes and implement mitigation measures. We will assist the City in evaluating time impact analyses for any proposed schedule adjustments, and we will hold the contractor accountable for submitting recovery schedules if delays jeopardize substantial completion.

5. Transparent Communication: We maintain detailed schedule logs and distribute summary reports to City staff on a recurring basis. All schedule discussions and updates are documented and tied to action items that are tracked through resolution. This ensures transparency and keeps the City fully informed of progress and risks.

Example: Potential Delay Aversion

Office Building Tenant Improvements and Interior Renovation, City of Cerritos (2021-2022)

City of Cerritos: 18125 Bloomfield Avenue; Cerritos, CA 90703 | **Kanna Vancheswaran, Director of Public Works;** (562) 916-1219; kvancheswaran@cerritos.us



The City of Cerritos improved a City-owned two-story building, approximately 33,000 square foot, at 12616 183rd Street. The improvements encompassed reconstructing the building exterior and portions of the interiors, including plumbing, mechanical, electrical, sheet rock, flooring, ceiling, paint and finishes, glazing, roof reconstruction, fire alarm and sprinkler systems, landscaping, and irrigation system improvements. The contract duration was specified as 350 calendar days, with a hard deadline and tenant move in date at the end of February 2022. Notice to Proceed with Construction was issued March 22, 2021, leaving no room for delays. Willdan provided construction management, inspection, and special inspection for structural concrete, epoxy bolting, and welding. By implementing proactive schedule management, providing timely response and processing of all submittals and progress payment, and quick resolution of RFIs, all work was satisfactorily completed within budget and prior to the deadline for the tenant's move in date.



Fee Schedule/Cost Proposal

City of Palmdale

FEE PROPOSAL
FOR
PROPOSAL FOR
45TH STREET SEWER, STORM DRAIN AND STREET RENOVATION
Thursday, January 15, 2026

TASK / CLASSIFICATION	Principal in Charge *Mike Bustos*	Material Testing Engineer *Ross Khiabani*	Senior Construction Manager *Michael Michael*	Project Scheduler *John Borquez*	Labor Compliance Manager *Jane Freij*	Public Works Inspector[2] *Cris Valenzuela*	QSP Inspector *Michael Michael*	Labor Compliance Specialist *Amanda Perez*	Traffic Engineer *Jeff Lau*	Project Admin *Peri Kay*	Interactive Mapping *Rex Miller*	Materials Testing *Willdan*	Public Outreach *KMP Strategies*	TOTAL LABOR	TOTAL SUBS	MISC. EXPENSE	TOTAL COST
HOURLY RATE:	$255	$219	$207	$191	$200	$180	$180	$165	$226	$151	$193	Allowance	NTE				
PRECONSTRUCTION PHASE	2	0	80	0	0	8	0	0	0	22				$22,089	$0	$0	$22,089
TASK 1 - CONSTRUCTABILITY PLAN REVIEW	*1*		*62*							*6*				*$13,996*	$0	*$0*	$13,996
SUBTASK 1.1 - CONSTRUCTION MANAGEMENT KICKOFF MEETING	*1*		*8*			*8*				*6*				*$4,258*	$0	*$0*	$4,258
SUBTASK 1.2 - PRE BID MEETING			*10*							*10*				*$3,835*	$0	*$0*	$3,835
CONSTRUCTION PHASE	*70*	*46*	*673*	*46*	*4*	*2,008*	*40*	*150*	*20*	*360*	*28*	*$60,000*	*$60,000*	*$618,935*	*$60,000*	*$61,750*	*$740,685*
TASK 2 - WEEKLY MEETINGS	*50*		*200*			*50*				*100*				*$65,805*	$0	*$0*	$65,805
TASK 3 - CONSTRUCTION MANAGEMENT	20		451	46					4	200				*$133,447*	$0	$1,250	$134,697
TASK 4 - CONSULTATION OBSERVATION & REPORTING			8			1,942	40			16			$60,000	*$361,087*	$60,000	$0	$421,087
TASK 5 - LABOR COMPLIANCE					4			150						*$25,805*	$0	$0	$25,805
TASK 6 - GEOTECHNICAL AND MATERIAL TESTING		46								16		$60,000		*$12,745*	$0	$60,000	$72,745
TASK 7 - CONSTRUCTION SURVEYING			4			16								*$3,963*	$0	$0	$3,963
TASK 8 - TRAFFIC SIGNING AND STRIPING INSPECTION									16					*$3,871*	$0	$0	$3,871
TASK 9 - INTERACTIVE MAP ON CITY WEBSITE			8							18	28			*$10,033*	$0	$0	$10,033
TASK 10 - NOTIFICATION LETTER TO RESIDENCES AND BUSINESSES			2							10				*$2,179*	$0	$500	$2,679
ESTIMATED TOTALS[1]	*72*	*46*	*753*	*46*	*4*	*2,016*	*40*	*150*	*20*	*382*	*28*	*$60,000*	*$60,000*	*$641,024*	*$60,000*	*$61,750*	*$762,774*

[1]This not-to-exceed fee is based on an assumed 251-working days construction duration with inspection services assumed at no more than 8 hours per day, Monday through Friday. Additional services needed beyond the contract specified date of completion will be provided on a time-and-material basis at Willdan's standard hourly rates. Overtime inspection services are not included, but will be billed at 1.5 times normal hourly rate if required and may require adjustment to the approved budget. Work performed by support staff with titles not explicitly listed herein will be charged in accordance with Willdan's standard hourly rates at the time the work is performed.

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[3]The Contractor's construction schedule is not available at the time of proposal submission, so a budgetary allowance for materials testing has been provided in this proposal.

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DEPARTMENT OF PUBLIC WORKS
CAPITAL IMPROVEMENT PROGRAM

CITY OF PALMDALE

BIDDER'S ACKNOWLEDGMENT OF CWA REQUIREMENTS

ONLY APPLICABLE FOR PROJECTS OVER $250,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE COMMUNITY WORKFORCE AGREEMENT AND AGREES TO COMPLY WITH ALL THE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the City of Palmdale's Community Workforce Agreement.

Signature: Chris Boca Title: Director of Construction Services Date: 1/15/2026

Signature: _____ Title: _____ Date: _____



WILLDAN

WILLDAN ENGINEERING

Schedule of Hourly Rates

Effective July 1, 2025 to June 30, 2026

DESIGN ENGINEERING	
Technical Aide I	$83
Technical Aide II	$106
Technical Aide III	$124
CAD Operator I	$132
CAD Operator II	$153
CAD Operator III	$170
GIS Analyst I	$169
GIS Analyst II	$185
GIS Analyst III	$193
Environmental Analyst I	$149
Environmental Analyst II	$166
Environmental Analyst III	$177
Environmental Specialist	$191
Designer I	$174
Designer II	$181
Senior Designer I	$190
Senior Designer II	$199
Design Manager	$205
Senior Design Manager	$212
Plans Reviewer I	$160
Plans Reviewer II	$178
Senior Plans Reviewer	$195
Project Manager I	$192
Project Manager II	$213
Project Manager III	$223
Project Manager IV	$241
Principal Project Manager	$247
Assistant Engineer I	$146
Assistant Engineer II	$160
Assistant Engineer III	$169
Assistant Engineer IV	$180
Associate Engineer I	$189
Associate Engineer II	$198
Associate Engineer III	$202
Senior Engineer I	$205
Senior Engineer II	$210
Senior Engineer III	$213
Senior Engineer IV	$217
Supervising Engineer	$226
Traffic Engineer I	$226
Traffic Engineer II	$241
City Engineer I	$241
City Engineer II	$247
Deputy Director	$255
Director	$261
Principal Engineer	$278

BUILDING AND SAFETY	
Code Enforcement Technician	$109
Code Enforcement Officer	$125
Senior Code Enforcement Officer	$147
Supervisor Code Enforcement	$178
Fire Plans Examiner	$178
Senior Fire Plans Examiner	$195
Fire Inspector	$164
Senior Fire Inspector	$178
Fire Marshal	$210
Plans Examiner Aide	$117
Plans Examiner	$178
Senior Plans Examiner	$195
Assistant Construction Permit Specialist	$125
Construction Permit Specialist	$131
Senior Construction Permit Specialist	$155
Supervising Construction Permit Specialist	$164
Assistant Building Inspector	$147
Building Inspector	$164
Senior Building Inspector	$178
Supervising Building Inspector	$195
Inspector of Record	$208
Assistant Building Official	$185
Deputy Building Official	$211
Building Official	$211
Plan Check Engineer	$204
Supervising Plan Check Engineer	$206
Principal Project Manager	$247
Deputy Director	$255
Director	$261

PLANNING	
CDBG Technician	$97
CDBG Specialists	$114
CDBG Analyst	$132
Sr. CDBG Analyst	$140
CDBG Coordinator	$156
CDBG Manager	$188
Housing Specialist	$138
Housing Program Coordinator	$156
Planning Technician	$134
Assistant Planner	$167
Associate Planner	$181
Senior Planner	$206
Principal Planner	$215
Planning Manager	$228
Deputy Director	$255
Director	$261

CONSTRUCTION MANAGEMENT	
Labor Compliance Specialist	$150
Senior Labor Compliance Specialist	$165
Assistant Labor Compliance Manager	$180
Labor Compliance Manager	$200
Utility Coordinator	$172
Office Engineer I	$151
Office Engineer II	$165
Assistant Construction Manager	$172
Construction Manager	$191
Senior Construction Manager	$207
Resident Engineer I	$215
Resident Engineer II	$223
Project Manager IV	$241
Deputy Director	$255
Director	$261

INSPECTION SERVICES	
Public Works Observer **	$135
Public Works Observer ***	$170
Senior Public Works Observer**	$147
Senior Public Works Observer ***	$170

MAPPING AND EXPERT SERVICES	
Survey Analyst I	$151
Survey Analyst II	$174
Senior Survey Analyst	$187
Supervisor - Survey & Mapping	$209
Principal Project Manager	$247

LANDSCAPE ARCHITECTURE	
Assistant Landscape Architect	$157
Associate Landscape Architect	$181
Senior Landscape Architect	$199
Principal Landscape Architect	$211
Principal Project Manager	$247

ADMINISTRATIVE	
Administrative Assistant I	$102
Administrative Assistant II	$123
Administrative Assistant III	$144
Project Accountant I	$116
Project Accountant II	$136
Project Controller I	$144
Project Controller II	$163

** For Non-Prevailing Wage Project *** For Prevailing Wage Project

Mileage/Field Vehicle usage will be charged at the rate in accordance with the current FTR mileage reimbursement rate, subject to negotiation.

Additional billing classifications may be added to the above listing during the year as new positions are created. Consultation in connection with litigation and court appearances will be quoted separately. The above schedule is for straight time. Overtime will be charged at 1.5 times, and Sundays and holidays, 2.0 times the standard rates. Blueprinting, reproduction, messenger services, and printing will be invoiced at cost plus fifteen percent (15%). A sub consultant management fee of fifteen percent (15%) will be added to the direct cost of all sub consultant services to provide for the cost of administration, consultation, and coordination. Valid July 1, 2025 thru June 30, 2026, thereafter, the rates may be raised once per year to the value between the 12-month % change of the Consumer Price Index for the Los Angeles/Orange County/Sacramento/San Francisco/San Jose area and five percent. For prevailing wage classifications, the increase will be per the prevailing wage increase set by the California Department of Industrial Relations.

Rev 02-12.16.2025



WILLDAN

WILLDAN GEOTECHNICAL / MATERIALS TESTING

Prevailing Wage
Schedule of Hourly Rates

Effective July 1, 2025 to June 30, 2026

GEOTECHNICAL	
Soil Technician (Prevailing Wages)**	$169
Sr. Soil Technician (Prevailing Wages)**	$169
Geologist II	$200
Supervising Geologist	$226
CAD Operator II	$153
Assistant Engineer I	$144
Assistant Engineer II	$160
Assistant Engineer III	$169
Senior Engineer I	$205
Senior Engineer II	$210
Senior Engineer III	$213
Supervising - Lab Inspector	$148
Field Operations Manager	$159
Supervising Engineer	$226
Principal Project Manager	$247
Principal Engineer	$278
SPECIAL INSPECTION	
Special Inspection (Prevailing Wages)**	$164
Supervisor	$178

ADMINISTRATIVE	
Administrative Assistant I	$102
Administrative Assistant II	$123
Administrative Assistant III	$144
EXPERT WITNESS	
Principal Engineer/Geologist	$453

**For inspector/soil technician there is a four-hour minimum. Any hours worked more than the four-hour minimum will be charged at the eight-hour daily rate. Same day cancellations will be charged as a four-hour minimum.

Mileage/Field Vehicle usage will be charged at the rate in accordance with the current FTR mileage reimbursement rate, subject to negotiation. Travel time to and from the job site will be charged at the hourly rates for the appropriate personnel.

Staff assignments depend on availability of personnel, site location, and the level of experience that will satisfy the technical requirements of the project and meet the prevailing standard of professional care.

The above schedule is for straight time. Overtime will be charged at 1.5 times, and Sundays and holidays, 2.0 times the standard rates. Blueprinting, reproduction, messenger services, and printing will be invoiced at cost plus fifteen percent (15%). A subconsultant management fee of fifteen percent (15%) will be added to the direct cost of all subconsultant services to provide for the cost of administration, consultation, and coordination. Valid July 1, 2025 thru June 30, 2026, thereafter, the rates may be raised once per year to the value between the 12-month % change of the Consumer Price Index for the Los Angeles/Orange County/Sacramento/San Francisco/San Jose area and five percent. For prevailing wage classifications, the increase will be per the prevailing wage increase set by the California Department of Industrial Relations.

WILLDAN

WILLDAN GEOTECHNICAL / MATERIALS TESTING

Non-Prevailing Wage
Schedule of Hourly Rates

Effective July 1, 2025 to June 30, 2026

GEOTECHNICAL	
Soil Technician (Non-Prevailing Wages)	$101
Sr. Soil Technician (Non-Prevailing Wages)	$119
Geologist II	$200
Supervising Geologist	$226
CAD Operator II	$153
Assistant Engineer I	$144
Assistant Engineer II	$160
Assistant Engineer III	$169
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WILLDAN

WILLDAN GEOTECHNICAL / MATERIALS TESTING

Unit Testing Rate Sheet*

Effective July 1, 2025 to June 30, 2026

Identification and Index Properties			
In-situ Moisture and Density (ASTM D2937)	$50	per	Test
Grain Size Analysis – Sieve Only (ASTM D6913)	$150	per	Test
Grain Size Analysis – Sieve & Hydrometer (ASTM D6913 & D7928)	$250	per	Test
Percent Passive #200 Sieve (ASTM D1140)	$120	per	Test
Atterberg Limits – Multi Point (ASTM D4318)	$250	per	Test
Atterberg Limits – One Point (ASTM D4318)	$100	per	Test
Specific Gravity (ASTM D854)	$150	per	Test
Sand Equivalent (ASTM D2419)	$168	per	Test
Compaction and Bearing Strength			
Modified Proctor Compaction – Method A or B (ASTM D1557)	$350	per	Test
Modified Proctor Compaction – Method C (ASTM D1557)	$350	per	Test
Compaction (CTM 216)	$285	per	Test
California Bearing Ratio, CBR – 3 Points (ASTM D1883)	$600	per	Test
R-Value	$400	per	Test
Shear Strength			
Torvane / Pocket Penetrometer	$25	per	Test
Direct Shear, Consolidated Drained – 3 Point (ASTM D3080)	$650	per	Test
Direct Shear, Residual – per Point (ASTM D3080)	$220	per	Test
Unconfined Compression (ASTM D2166)	$160	per	Test
Unconsolidated-Undrained (UU)	$250	per	Test
Consolidation, Collapse and Swell			
Consolidation – 8 Load Increments w/ One Time Rate (ASTM D2435)	$600	per	Test
Consolidation – Additional Load Increment (ASTM D2435)	$130	per	Test
Consolidation – Additional Time Rate per Load Increment (ASTM D2435)	$130	per	Test
Collapse Test – Single Point	$130	per	Test
Single Load Swell Test – Ring Sample, Field Moisture (ASTM D4546)	$350	per	Test
Single Load Swell Test – Ring Sample, Air Dried (ASTM D4546)	$350	per	Test
Remolded Sample per Specimen	$95	per	Test
Expansion Index (ASTM D4829 / UBC 29-2)	$200	per	Test
Laboratory Permeability			
Constant Head (ASTM D2434)	$350	per	Test
Falling Head Flexible Wall (ASTM D5084)	$350	per	Test
Triaxial Permeability (EPA 9100)	$400	per	Test
Chemical Tests			
Corrosivity (pH, Resistivity, Sulfates, Chlorides)	$250	per	Test
Organic Contents (ASTM D2974)	$125	per	Test
Asphalt Tests			
Extraction / Asphalt (CTM 382)	$300	per	Test
Hveem / Marshall Maximum Density (CTM 304, 308)	$500	per	Test
Wash Gradation (CTM 202)	$200	per	Test

WILLDAN

WILLDAN GEOTECHNICAL / MATERIALS TESTING

Unit Testing Rate Sheet*

Effective July 1, 2025 to June 30, 2026

Concrete			
6"x12" & 4"x8" Cylinder Compression Test (ASTM C39)	$50	per	Test
2", 4" & 6" Diameter Cores Compression Test	$50	per	Test
3"x6" Cylinder Lightweight Concrete Compression Test (ASTM C495)	$50	per	Test
Shotcrete / Gunite Lab Coring & Compression Test (ASTM C42)	$100	per	Test
Unit Weight of Hardened Lightweight Concrete (ASTM C567)	$85	per	Test
Rapid Cure Concrete Cylinders (Boil Method) (ASTM C684)	$100	per	Test
Masonry			
2"x4" Mortar Cylinder Compression Test (ASTM C780)	$50	per	Test
2"x2" Mortar Cube Compression Test (ASTM C109)	$50	per	Test
3"x6" Grout Prism Compression Test (ASTM C1019)	$50	per	Test
CMU Grouted Prism Compression Test, up to 8"x8"x16" (ASTM E447)	$275	per	Test
CMU Grouted Prism Compression Test, larger than 8"x8"x16" (ASTM E447)	$300	per	Test
Steel Reinforcement			
Tensile or Bend Test, up to #8 (ASTM A370)	$200	per	Test
Tensile or Bend Test, #9 to #11 (ASTM A370)	$250	per	Test
Tensile or Bend Test, #14 (ASTM A370)	$300	per	Test
Fireproofing			
Unit Weight (UBC 7-6)	$55	per	Test
Cohesion / Adhesion (UBC 7-6)	$65	per	Test
Non-Destructive Testing (NDT)			
Dye Penetrant Testing	$145	per	Hour
Ultrasonic Testing	$145	per	Hour
Magnetic Particle Testing	$145	per	Hour
Radiographic Testing			Quote
Administrative Services			
Sample Pickup from Field (within 100 miles of lab	$190	per	Trip
Saturday Sample Pickup from Field (within 100 miles of lab	$310	per	Trip
Sunday Sample Pickup from Field (within 100 miles of lab	$310	per	Trip
Mix Design Review	$900	per	Mix
Lab Test Report	$50	per	Report
Field Vehicle Usage (by Soil/Asphalt Technician)	$10	per	Hour
Field Nuclear Gauge Usage (by Soil/Asphalt Technician)	$60	per	Trip

*A not to exceed (NTE) $500 fee will be assessed for field compaction testing when performing by a full time public works inspection or when providing materials inspection at the minimum of 4 hours, as the field compaction tests are included in the material inspector's hourly rate. If performing public works inspection under 4 hours will be charged for field compaction testing at a unit cost of $75 per test.



WILLDAN

13191 Crossroads Parkway North, Suite 405
Industry, CA 91746-3443
562.908.6200 | 800.499.4484 | Fax: 562.695.2120

www.willdan.com



Fee Schedule/Cost Proposal

City of Palmdale

FEE PROPOSAL
FOR
PROPOSAL FOR
45TH STREET SEWER, STORM DRAIN AND STREET RENOVATION
Thursday, January 15, 2026

TASK / CLASSIFICATION	Principal in Charge *Mike Bustos*	Material Testing Engineer *Ross Khiabani*	Senior Construction Manager *Michael Michael*	Project Scheduler *John Borquez*	Labor Compliance Manager *Jane Freij*	Public Works Inspector[2] *Cris Valenzuela*	QSP Inspector *Michael Michael*	Labor Compliance Specialist *Amanda Perez*	Traffic Engineer *Jeff Lau*	Project Admin *Peri Kay*	Interactive Mapping *Rex Miller*	Materials Testing *Willdan*	Public Outreach *KMP Strategies*	TOTAL LABOR	TOTAL SUBS	MISC. EXPENSE	TOTAL COST
HOURLY RATE:	$255	$219	$207	$191	$200	$180	$180	$165	$226	$151	$193	Allowance	NTE				
PRECONSTRUCTION PHASE	2	0	80	0	0	8	0	0	0	22				$22,089	$0	$0	$22,089
TASK 1 - CONSTRUCTABILITY PLAN REVIEW	*1*		*62*							*6*				*$13,996*	$0	*$0*	$13,996
SUBTASK 1.1 - CONSTRUCTION MANAGEMENT KICKOFF MEETING	*1*		*8*			*8*				*6*				*$4,258*	$0	*$0*	$4,258
SUBTASK 1.2 - PRE BID MEETING			*10*							*10*				*$3,835*	$0	*$0*	$3,835
CONSTRUCTION PHASE	*70*	*46*	*673*	*46*	*4*	*2,008*	*40*	*150*	*20*	*360*	*28*	*$60,000*	*$60,000*	*$618,935*	*$60,000*	*$61,750*	*$740,685*
TASK 2 - WEEKLY MEETINGS	*50*		*200*			*50*				*100*				*$65,805*	$0	*$0*	$65,805
TASK 3 - CONSTRUCTION MANAGEMENT	20		451	46					4	200				*$133,447*	$0	$1,250	$134,697
TASK 4 - CONSULTATION OBSERVATION & REPORTING			8			1,942	40			16			$60,000	*$361,087*	$60,000	$0	$421,087
TASK 5 - LABOR COMPLIANCE					4			150						*$25,805*	$0	$0	$25,805
TASK 6 - GEOTECHNICAL AND MATERIAL TESTING		46								16		$60,000		*$12,745*	$0	$60,000	$72,745
TASK 7 - CONSTRUCTION SURVEYING			4			16								*$3,963*	$0	$0	$3,963
TASK 8 - TRAFFIC SIGNING AND STRIPING INSPECTION									16					*$3,871*	$0	$0	$3,871
TASK 9 - INTERACTIVE MAP ON CITY WEBSITE			8							18	28			*$10,033*	$0	$0	$10,033
TASK 10 - NOTIFICATION LETTER TO RESIDENCES AND BUSINESSES			2							10				*$2,179*	$0	$500	$2,679
ESTIMATED TOTALS[1]	*72*	*46*	*753*	*46*	*4*	*2,016*	*40*	*150*	*20*	*382*	*28*	*$60,000*	*$60,000*	*$641,024*	*$60,000*	*$61,750*	*$762,774*

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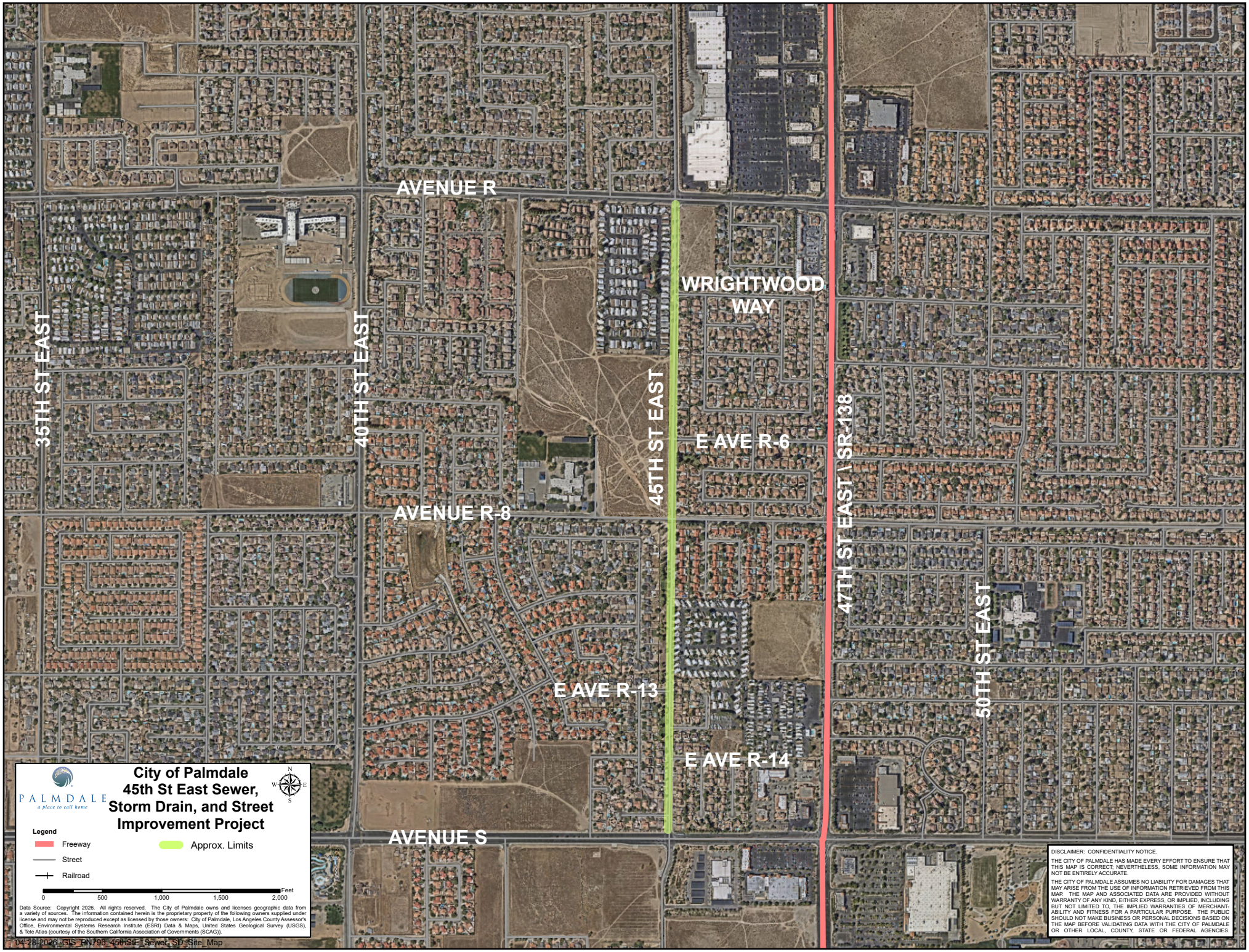
AVENUE R
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AVENUE R-8
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E AVE R-13
E AVE R-14
AVENUE S
PALMDALE
a place to call home
City of Palmdale
45th St East Sewer, Storm Drain, and Street Improvement Project
Legend
Freeway
Street
Railroad
Approx. Limits
0
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1,000
1,500
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Feet
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DISCLAIMER: CONFIDENTIALITY NOTICE
THE CITY OF PALMDALE HAS MADE EVERY EFFORT TO ENSURE THAT THIS MAP IS CORRECT; NEVERTHELESS, SOME INFORMATION MAY NOT BE ENTIRELY ACCURATE.
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04-28-2026 \GIS_RN796_45thSE_Sewer_SD_Site_Map

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **5**

SUBJECT: **APPROVE CONSTRUCTION AGREEMENT WITH RG GENERAL ENGINEERING INC., FOR PN 839, MCADAM PARK IMPROVEMENT PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF $8,048,897 FOR A TERM OF 250 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Construction Agreement No. A-9824 with RG General Engineering Inc., for PN 839, McAdam Park Improvement Project (Project), for a total not to exceed amount of $8,048,897, which includes a contract amount of $7,317,179 plus a 10% contingency amount of $731,718, for a term of 250 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9824 with RG General Engineering, Inc., including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 10% contingency amount approved by the Council.

BACKGROUND

Developed in 1972, William J. McAdam Park (McAdam Park) was acquired from Los Angeles County and offers a range of outdoor amenities and activities for visitors of all ages. The 20-acre recreational facility, nestled in the heart of Palmdale, features the Historic Palmdale Schoolhouse, a six-lane swimming pool, a volleyball court, picnic shelters, tables, BBQ grills, a multi-purpose field, tennis courts, pickleball courts, a playground, a sand volleyball court, a walking path, and restrooms.

This Project will include landscaping, installation of a restroom/concession stand building, a pre-engineered metal storage building, parking lot improvements, pedestrian walkways, a new baseball field, sports field lighting, and a new monument sign. Construction is anticipated to take approximately 250 working days from the date of the Notice to Proceed.

DISCUSSION

On November 25, 2025, this Project was initially advertised for construction. The City received three bids and rejected all bids after thorough analysis. A new invitation to bid was publicly advertised on February 17, 2026, via the PlanetBids electronic platform. On March 24, 2026, nine (9) bids were received and are listed below:

Bidder	Location	Base Bid Amount	Additive Bid	Total Amount
1. RG General Engineering, Inc.	Norco, CA	$6,878,021.90	$439,157.00	$7,317,178.90
2. R.C. Becker and Son, Inc.	Santa Clarita, CA	$7,005,851.16	$607,679.37	$7,613,530.53
3. Urban Habitat	Palm Desert, CA	$7,217,159.96	$505,422.41	7,722,582.37
4. Moalej Builders, Inc.	Newport Beach, CA	$7,345,729.00	$465,300.00	$7,811,029.00
5. Tovey/Shultz Construction, Inc.	Lake Elsinore, CA	$7,932,203.26	$471,887.42	$8,404,090.68
6. Reyes Electrical Contractor, Inc.	Glendale, CA	$8,042,050.95	$378,987.50	$8,421,038.45
7. Legion Contractors, Inc.	Los Angeles, CA	$7,992,381.70	$619,650.00	$8,612,031.70
8. Golden Sun Enterprise, Inc.	Van Nuys, CA	$8,590,777.00	$909,000.00	$9,499,777.00
9. R Brothers Inc.	San Fernando, CA	$9,825,372.18	$668,990.62	$10,494,362.80

Upon review of the lowest apparent bid proposal, staff found a mathematical error by RG General Engineering. It was determined that the extended amount in the Bid Sheet for Base Bid Item 89 “Baseball Field – Dugout Bench” was calculated incorrectly, see attached Fee Schedule. Per the Project Specification and Greenbook Standard Specifications for Public Works Construction, unit prices govern in the event of a

discrepancy in the bid proposal. The Base Bid Amount in the table above reflects RG General Engineering, Inc.'s official bid of $6,878,021.90.

The additive alternate bid consists of the demolition of an existing storage building. Once the existing building is demolished, the contractor shall construct a maintenance shop (pre-engineered building) to improve operational efficiency, reduce response times, and protect the City's significant investment in park, aquatic, and sports facilities. As one of Palmdale's largest and most active community parks, McAdam requires daily support for aquatics operations, irrigation repairs, restroom servicing, field preparation, playground inspections, and special event setup. A dedicated on-site maintenance shop will reduce staff travel time, lower fuel and overtime costs, improve emergency response for repairs and public safety issues, and provide stronger service delivery for all East Palmdale parks.

RG General Engineering, Inc., submitted the lowest responsive and responsible bid and secured a 10% bid bond as required. References have been checked, and staff recommend that the City Council award Project No. 839 to the apparent low bidder, RG General Engineering, Inc., in the amount of $7,317,179 with a 10% contingency allowed.

FISCAL IMPACT

$8,048,897; Sufficient funds are budgeted and available using Measure AV funding.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9824 with RG General Engineering, Inc.
Proposal
Fee Schedule

AGREEMENT NO. A- 9824
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND RG GENERAL ENGINEERING, INC

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and RG GENERAL ENGINEERING, INC, a Contractor ("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:

PN 839, McAdam Park Improvement Project

a) Site preparation;
b) Landscaping;
c) Installation of a restroom/concession stand building;
d) A pre-engineered metal storage building (Additive Alternate No.1);
e) Parking lot improvements;
f) Pedestrian walkways;
g) New baseball field;
h) Sports field lighting; and,
i) New monument sign.

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.

Should it apply, the Successor Community Workforce Agreement policies and procedures must be followed as outlined in the attached agreement.

3 Compensation

City shall pay Contractor the total, all-inclusive, NOT-TO-EXCEED amount of SEVEN MILLION, THREE HUNDRED and SEVENTEEN THOUSAND, ONE HUNDRED and SEVENTY-NINE Dollars ($7317179.00) 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 250 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 A or Class B Contractor's License **or Specialty Contractor License consisting of Class A licensee** to perform the required work ("Work"). Contractor's DIR registration number is 1000979066. Contractor hereby certifies that it holds the required license(s).

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.

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 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 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
$4,000,000.00 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 --
$1,000,000.00 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 Ownership and Delivery of Work Product

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONTRACTOR or Contractor’s subcontractors in the performance of this Agreement (collectively, “Work Product”) shall be the exclusive property of the CITY.

All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONTRACTOR shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

23 Ownership of Intellectual Property

The Work Product and all intellectual property rights therein shall be deemed “works made for hire” under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONTRACTOR hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONTRACTOR consents to the use of CONTRACTOR’s name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONTRACTOR agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONTRACTOR waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

24 Non-discrimination and Equal Employment Opportunity

24.1 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.

25 SB 1383 Compliance

CONTRACTOR shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

26 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.

27 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.

28 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.

29 Health and Safety Provisions

A. CONTRACTOR and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONTRACTOR and subcontractors shall abide by the most restrictive mandate.

B. Costs associated with adhering to health and safety mandates are the responsibility of the CONTRACTOR. CONTRACTOR is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

30 Notification and Access Revocation

The CONTRACTOR shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONTRACTOR to be in breach of contract. Notice shall include the individual's name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

31 Force Majeure

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.

The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all

diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

32 Successors and Assigns

The terms and conditions of this Contract shall be binding on the successors and assigns of the parties to this Contract.

33 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.

34 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.

35 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

Salvador Mendez Date
City Manager

Lee Torres
Apr 29, 2026, 6:41 PM PDT

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

APPROVE AS TO FORM:

Alexandra Severino
City Attorney

ATTEST:

Rochelle Scott
City Clerk

RG GENERAL ENGINEERING, INC

Richard Gonzales Date
President

ADDRESS FOR NOTICE:
RG GENERAL ENGINEERING, INC
3594 Bluff Street
Norco, CA 92860

ATTEST: If Corporation

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)

Record of Signing

For City of Palmdale
Name Leonardo Torres
Title



Signed on Apr 29, 2026 6:41 PM PDT

Secured by Concord™
DocumentID: 0338KRSiVvTTa1mtBn55Pj
SigningID: 0338KRSUxqIEZoassuhM2o
UTC Signing time: 2026-04-30 01:41:42 UTC
IP Address: 172.56.186.100
Email: ltorres@cityofpalmdaleca.gov

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CITY OF PALMDALE
PN 839 MCADAM PARK IMPROVEMENT PROJECT
MARCH 17, 2026
ADDENDUM NO. 1

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1. This Addendum No. 1 forms a part of the Bidding and Contract Documents and modifies the Plans and Specifications for the City of Palmdale's PN 839 McAdam Park Improvement Project. Bidders must acknowledge receipt of this Addendum No.1 on PlanetBids and on the Bid Cover Form in the bid package.

2. This Addendum No. 1 modifies the Bidding and Contract Documents in the following manner:
   a) Removes and replaces specification page 6 of 29, 7 of 29, 8 of 29, 9 of 29, and 10 of 29 in the BID FORMS section.
   b) Removes and replaces specification page 23 of 112 in the TECHNICAL SPECIFICATIONS section.
   c) Removes and replaces plan sheets TS-01 (1 of 106), ST-02 (30 of 106), and E-103 (54 of 106).
   d) Provides the document titled *Light Structure Pole and Foundation Standard* by Musco Lighting, Inc.

3. This Addendum No. 1 modifies the Bid due date to **Tuesday March 24, 2026 at 12 noon Pacific Daylight Time (UTC-7).**

4. Questions and Answers:

   a) What is the Engineer Estimate Value?
   Answer: The total estimated construction cost from our final design estimate was $9,015,551. The estimated additive alternate value for the pre-eningeered storage building was $706,745.

   b) Is there an engineers estimate for this project?
   Answer: See response a).

   c) There are three (3) 'type G' light poles, ref. plan sheet #E-101 - keynote E2 which states "Existing light and pole. Relocate as indicated. Provide new concrete base to match existing." will a bid item be added for this scope of work?
   Answer: Refer to bid line item 51 for light pole base. Include relocation as part of site demolition line item.

   d) Please provide clarification regarding whether "panel X" in metal storage building is to be provided and installed by the storage building contractor or by the electrical contractor. (Ref. plan sheet E-1 and plan sheet E-102 - keynote E2.)
   Answer: Electrical Contractor

   e) On the current bid sheet, item #36 for single head pole, fixture have an estimated quantity of 36 ea. Counts for single head poles per plan sheets E-101 and E-102 show only 35 ea. Will the bid sheet be revised accordingly?
   Answer: Yes, 35. See revised bid sheet.

   f) What is the Engineer Estimate Value?
   Answer: See response a).

g) Please provide a soils report.
Answer: See geotech report - ref file no. 302395-002, dated April 21, 2023.

h) Please provide a detail for Musco lighting foundation, cages and bases.
Answer: See provided Musco information.

i) Do we have to list a pre-registered/approved subcontractor by the City, especially for MEP scope? If so, could you please share us the list of approved subcontractors list.
Answer: No list is available.

j) Please confirm that all Q&A sets from the previous round of bid can be applied in this project.
Answer: All previous RFI questions were previous answered and addressed - and are applicable to this round per the project designer of record.

k) According to Demolition Plan LD 02, the symbol indicates "Repair and replace existing lawn or planting areas and irrigation disturbed as a result of subsurface electrical or civil site improvements." However, when comparing this to the Planting Plans on sheets LP 01 through LP 06, there is no area that corresponds to "Repair and replace existing lawn area disturbed as a result of subsurface irrigation improvements" as shown on LD 02. Please clarify.
Answer: Both hatched areas should be accounted for. Any existing turf disturbed as a result of construction shall be replaced. The demolition sheets and planting sheets account for those areas. The discrepancy is that the demolition sheets show more areas of disturbance than there is new planting.

l) Contract Section 3 7.2 – Precedence of the Contract Documents, Standard Specifications (Greenbook 2024) are listed above Technical Specifications (Section F) in the order of precedence. However, the Technical Specifications for this project include revised, modified, and expanded requirements for Part 8 – Landscape And Irrigation. Please confirm which document governs when discrepancies exist. Specifically, do the Landscape & Irrigation requirements in Technical Specifications Section F supersede the Standard Specifications.
Answer: Yes, the landscape & irrigation requirements in the technical specifications supersede the standard specifications.

m) Why is this project out for rebid as it appears that the low bidder was responsive and undet the state/advertised budget?
Answer: City has the sole discretion to reject all bids for any reason or no reason.

n) Please provide the revised Engineers Estimate.
Answer: See response a).

o) Please provide the Nunno PEMB scope of work/quote so we can confirm the overall scope of what they are including in regards to window, doors, and trims.
Answer: Contractor shall coordinate with building manufacturer and provide all scope indicated on the drawings.

p) The PEMB plans show a trench drain "by others" on key note 8 sheet S2.0 and sheet S3.0 detail 41 although there is no other associated plumbing and or drainage plan. Please provide the corresponding plumbing plan and specification for the trench drain as at this point this is a very ambiguos scope.
Answer: Floor drain should be removed from the scope.

q) Will the park remain open during construction? If so please provide a pedestrian access plan and scope of work.

Answer: The park will be closed except for the pool and adjacent parking area. Also, the area on the south side of the park from the pool up to and including the pickleball/tennis court area will be open during construction

r) Sheet ST-02 does not match Public Restroom Company building footprint on sheet A-01. Please confirm the requirement for the perimiter footing as this is not typical of historical installations.
Answer: See revised sheet ST-02 reflecting the correct footprint size.

s) Sheet AA-2.1 General Life Safety Notes call out for Visual Alarm System. Please provide a preferred manufacturer for the FACP system.
Answer: Shall be cooridinated with the building manufacturer and City.

t) Sheet TS-03 keynote 9 calls out that the playground area is not in the scope of work although sheet LD-01 stippled hatching calls out for the existing playground equipmwnt and structures to be removed but keynote 5 on same sheet staes that the playground is to be protected in place?. Please confirm playground renoation scope, who is responsible for the demolition, and subsequent permiter curb and surfacing repair/repacement.
Answer: The existing playground is to be partially demo'd and partially to remain - as indicated on the demolition plans. For the playground footprint to remain, the existing play structures shall be protected in place.

u) Is there a maximum percentage for mobilization as none could be found in any bid documents?
Answer: 8% maximum.

v) Research puts Palmdale local tax rate at 11.25%. Please confirm this is correct.
Answer: Potential bidders are responsible for verifying publicly available information.

w) Research puts Palmdale construction water rate at $461.61 per month and $4.15 per unit. Please confirm for bidding purposes.
Answer: Potential bidders are responsible for verifying publicly available information.

x) According to the Palmdale Recycled Water Authority there are only four fill sites. Please confirm tat there is available construction water on site and if not where the conctruction water is available, meter rate, and unit cost for HCU of water service.
https://palmdalewd.seamlessdocs.com/f/PRWA_Mtr_App
Answer: Potential bidders are responsible for verifying publicly available information.

y) Please confirm on site construction water meter service for dust control and earthwork operation. If on site where is the hydrant located, what is the rate monthly, and what is the HCU cost for water.
Answer: Potential bidders are responsible for verifying publicly available information.

z) Will the city require use of the Prime Contractors office trailer? If so what facilities are required, for what tduartion, and are there any specific requirements for city personell?
Answer: No.

aa) Bid items 26 and 27 are ambiguous and open to interpretation. Please provide an allowance so that all contractors are on a level playing field.
Answer: Bid list updated with allowances.

bb) Bid litem 53 and sheet E-060 refers to electrical connections to three new scoreboards although there are no scoreboards called out and or identified in plans or specs. Please confirm this scope of work, specifiy a product, and provide plans and documents if required

of the Prime contractor.
Answer: The electrical connection is for a stub-out for a future scoreboard connection. Final location of stubout shall be coordinated in the field, per the note on the electrical plans. New scoreboards for these connections at the existing ballfields are not a part of this project.

cc) There are an extranious amaount of bid items based on unit costs. Please confirma thaty all bid itemes are field mesured pay quanitities.
Answer: Quantities provided are plan measured quantities.

dd) In regards to the bid schedule and pay items how are we to document and bill for 42 bid items for electrical such as wire, conduit, trenching, grounding, etc without arguement and or discourese. We suggest removing this large number of bid items to simplify the bid process and ease the bid process to maybe a fixed line item of lump sum or lesser bid items since electrical costs are always late in the bid schedule and typically fixed costs.
Answer: Electrical bid items shall remain.

ee) lease reissue all previous RFI requests and responses as it is our understanding that there are no revisions to the plans and or documents since the forst bid. All bidders should be aware of the missing information since the first bd to this rebid. (see attached Addendume 2 and Q/A and RFI responses)
Answer: For this re-bid package, plans and specs were updated in response to the previous round of bid RFIs.

ff) In several areas of the Plans and Specs there is conflicting information, can we please get a confirmation as to weather Plan Details and Notes OR Specs information is the correct information to follow when these sources differ between them One example is that the Plan Pages Detail P-4 calls for Galvanized Poles as tree stakes, and the Specs call for pressure-treated Lodgepole Pine.
Answer: Use galvanized stakes per Detail P-4.

gg) The Soil Prep Amendment application rates within the Specs differ from the Amounts in the Plan Notes, please confirm if we are to follow Specs rates or Rates from the Plan notes LP-07 Note 4
Answer: Application rates are provided for bidding purposes only. Final product and application rates are subjuct to the soils analysis to be performed by the contractor during construction.

hh) Irrigation Legend calls for 6" and 4" Mainline to be Class 315 Gasketed pipe, 6" and 4" CL 315 Gasket are NA - please specify confirm or another class of pipe, will SDR-21 (CL 200) pipe be acceptable?
Answer: 6" and larger SDR35 gasketed pipe is specified per City standard material. 4" is specified as solvent cemented jointing per plans.

ii) Irrigation Legend calls for Sleeves to be 2x the Diameter of the pipe inside the sleeve, and the Pipe is called out to be Purple Sch 40, 12" Purple Sch 40 is unavailable, will the city accept 12" Pipe with Purple Stickers/Warning Tape instead of Purple Pipe?
Answer: RW trench warning tape is required fo+r all RW mainline. City to provide formal direction at the time of bid award if the described is acceptable alternative method to indicate white pipe and additional ID markers is acceptable recycled water use designation.

jj) Please reissue all previous RFI requests and responses as it is our understanding that there are no revisions to the plans and or documents since the forst bid. All bidders should be aware of the missing information since the first bd to this rebid. (see attached Addendume 2

and Q/A and RFI responses)
Answer: For this re-bid package, plans and specs were updated in response to the previous round of bid RFIs.

kk) Detail C (TYPICAL GENERAL DITCHING)/ LI-08 indicates that sand backfill for the mainline is required under paved areas when noted, but the irrigation notes, legend on the plans, and irrigation technical specifications do not mention sand backfill. Please clarify.
Answer: Sand backfill shall be installed as indicated on the detail.

ll) Please provide the model for cast iron fitting (Leemco, Hardco, ...)?
Answer: A specific model for each connection type/condition will not be provided for each of the joint restraint fittings that may be utilized, this is to be determined by, and submitted as a product submittal by the contractor for review and approval.

mm) Please clarify the fittings for Irrigation mainline size from 4" through 2".
Answer: PVC SCH 80 for up to 4" size mainline fittings.

nn) The legend for the mainline on sheet LI-06 states that any mainline 6" or larger shall be installed with iron fittings, but all the valve details (RCV, quick coupler valve, gate valve, etc.) on sheet LI-07 and Detail C on sheet LI-09 show that the fittings for connections to the mainline are PVC. Please clarify.
Answer: PVC SCH 80 for up to 4" size mainline fittings. Ductile iron fittings for 6" and larger.

oo) In reference to sheet LI-06, the model of remote control valves (EFP-CP) is not valid. Confirm the model for RCV should be EFB-CP
Answer: The valve is to be a pressure-regulating EFB-CP-PRS-D.

pp) In reference to sheet LI-06, the model of the optional item for remote control valves (EFB-NP-HAN) is not valid. Confirm it should be EFB-GB-NP-HAN
Answer: The valve is to be a pressure-regulating EFB-CP-PRS-D. Provide optional purple flow control handle for non-potable water applications.

qq) Please clarify the size of the mainline at the manifold?
Answer: Size of manifold mainline pipe is equivalent to the largest size lateral line downstream of the largest valve on the manifold.

rr) Please provide the details for the group of valve box manifolds.
Answer: More clarify is needed for exact details this is asking for.

ss) The detail of the spare wire box/mainline stub-out is shown on sheet LI-09, but the irrigation legend on sheet LI-06 and the irrigation plans do not mention the spare wire box/mainline stub-out, while the bid item description (bid item #95) includes it. Please confirm whether we can omit it.
Answer: Even as this is referring to a detail, there is no specific legend item and plan locations indicated for stubbing out spare wire. Legend item "PB" (ie., pull box) is a general "access box" item where wire splices and wire pulls can and shall be made.

tt) Based on the existing controller models "A"&"B" shown on sheet LI-06, Controllers "A" and "B" should be two-wire controllers. Please provide the model of the decoders required for the valves connected to these controllers.
Answer: The existing controllers are conventional wire models. Each controller has a terminal wire strip for single conductors. Plans do not indicate any changes to these controllers.

uu) Based on the wire model (P7079A) and the existing controller models 'A' and 'B' shown on sheet LI-06, this is a two-wire system. However, referring to sheet LI-01, key note #5 indicates pilot and common wires, which are typically used for conventional systems. Please clarify.
Answer: See response on line #53. Refer also to PAIGE 7079D, #14 AWG FOR WIRES for irrigation legend item "irrigation wire route". 7079D is single conductor type wire for direct burial installation.

vv) Existing controller "C" models shown on sheet LI-06, please confirm whether Controller 'C' is a two-wire controller or a conventional controller.
Answer: See response tt).

ww) If Controller 'C' is a conventional system, please omit the model of wire P7079A for Controller 'C' and provide the model of the pilot and common wires for Controller 'C'.
Answer: See response tt).

xx) The bid item description (bid item #95) on page 20 of 112 (TECHNICAL SPECIFICATIONS) mentions 6" and 12" pop-up rotating stream sprinkler heads in the irrigation scope of work, but they are not shown on the irrigation plans or legend. Please confirm whether we can omit them.
Answer: Addressed in this re-bid package. 6" and 12" pop-up rotating stream sprinkler heads. These are no longer a part of the project and were removed.

yy) There are missing root watering systems for trees on sheet LI-01 (symbol of tree outside the limit of work on sheet LP-1) and on sheet LI-02 (bike rack location needed). Please clarify.
Answer: This was addressed from the last bid RFI round. For sheet LI-01, no additional watering needed as the noted tree is for the plan callout and not a proposed tree.

For tree closest to the bike rack location, the tree bubbler was updated on sheet LI-01.

zz) The valves boxes for remote control valves shall be Carson per the legend and specs section 800-2.2.7, but Detail A/ LI-07 requires the use of a 12"x18" plastic pipe (not available with the Carson series). Please clarify.
Answer: "Nominal" size indicates "approximate" size. The Carson 1419 rectangular box is the box for this nominal size indication. Please clarify what is meant by 12"x18" plastic pipe, is this inadvertantly misstated?

aaa) Refer to section 801-2.2.1/D & E, areas to receive Class A and B topsoil shall be scarified to a depth of 6 inches, areas to receive Class C topsoil shall be scarified to a depth of 8 inches. However, refer to section 801-2.2.2/A, all planters shall be deep-ripped to a depth of 12 inches. Please clarify.
Answer: Section 801-2.2.1/D & E - Refers to turf areas. Section 801-2.2.2/A - Refers to planter areas (shrubs, groundcover, trees).

bbb) Refer to City of Palmdale landscape planting notes no.4 on sheet LP-07, the soil preparation application rate is different from what is shown in technical specs section 801-2.2.2/G. Please clarify which application rate to follow.
Answer: City Standard Notes are correct. However, final application (per plans and specs) shall be performed according to the soils analysis/report.

ccc) Please provide length of root barriers required for any trees within 5 feet of the back of sidewalk, walls, or curbs as mentioned in City of Palmdale landscape planting notes no.10 on sheet LP-07.
Answer: All proposed trees are further than 5' away from adjacent curbs, concrete,

pavement. If root barrier is ultimately added, it should be installed per City Standard Detail LC-5.

ddd) Refer to City of Palmdale landscape planting notes no.11 on sheet LP-07, maintenance shall be a period of one year. However, refer to description of bid item 107, maintenance period shall be 120 days. Please clarify the correct duration of landscape maintenance period.
Answer: Sheet had been revised to note 120 days maintenance period to match bid item.

eee) Refer to planting plans LP-01 to LP-06, there are two legends of repair-and-replace existing lawn or planting area disturbed as a result of subsurface electrical, irrigation improvements. Please confirm that the hydroseed material used for those areas is the same as new turf hydroseed areas, which is Barengburg Turf Saver RTF with Barvette HGT. If not, please provide material.
Answer: Confirmed - Barenbrug Turf Saver RTF with HGT.

fff) Refer to technical specs section 800-1.5.3, tree stakes shall be lodgepole. However, refer to tre detail P-4 on sheet LP-09, tree stakes shall be galvanized steel. Please clarify the correct material of tree stakes.
Answer: Galvanized steel per the tree detail.

ggg) Please clarify what is the material and color of the existing DG around maintenance building as mentioned in DG legend on sheet LC-08?
Answer: Unconfirmed at time of bid. The contractor shall be responsible for obtaining a sample of the existing DG from the site and submit potential new DG samples from suppliers that appear to be a match (for review by City and Landscape Architect).

hhh) According to LI-06, the tree well bubbler shall be use Rain Bird RWS M 1402 Root Watering System, but the City of Palmdale Standard Detail I 8 (Typical Tree Well Bubbler)/ LI-08 requires a surface flood bubbler with two (2) pieces of 4" perforated drain pipe. These two systems are different in installation method. Please clarify which requirement shall take precedence.
Answer: Flood bubbler Rainbird 1402 shall be installed using Palmdale Standard detail with two (2) 4" Diameter Perforated Drain Pipe.

iii) Regarding the manifold assembly requirements: Based on the previous bid response stating that the size of the manifold mainline pipe is equivalent to the largest size lateral line downstream of the largest valve on the manifold, and the gate valve legend on Sheet LI 06 indicating that the manifold gate valve should match the largest remote control valve size in the manifold, following both requirements would result in a size mismatch between the gate valve and the manifold mainline pipe. Please confirm whether both requirements are intended to apply to this project.
Answer: Gate valve size shall be the size of largest lateral line on the largest manifold remote control valve. Manifold mainline pipe size shall be the size of largest lateral line on the largest valve in manifold.

jjj) Per sheet irrigation plan LI 01, the remote control valves station 7 through 10 are shown as new remote control valves. However, refer to sheet LI 05, in existing controller "B" table, these stations are indicated as existing remote control valve to be modified/redesignated. Please clarify.
Answer: Existing station wire, new valves. Remote control valves B7 through 10 are new remote control valves. Modified/Redesigned Station indicate only using existing station designations for new irrigation valves/zones, not the existing remote control

valves. Note that valve sequences indicated are for informational purposes, that final designations shall be reviewed with the City.

kkk) Refer to sheet LI-01, per the controller B callout valve station, there are 9 new remote control valves to be installed only. Howerver, refer to LI 05, in existing controller "B" table shows only 7 new valves to be installed. Please clarify.
Answer: 7 new valves shall be installed.

lll) Based on sheets LI 01 and LI 02, Key Note #1 states that no splices are allowed on the flow sensor cable except at 'end connections.' The notes also require protecting the existing flow sensor wire except where it is disturbed. Please confirm whether a splice is permitted at the point of connection between the existing flow sensor cable and the replacement cable in the disturbed areas. Alternatively, does 'end connections' refer only to the flow sensor and the controller, meaning that the cable must remain continuous and unspliced throughout the entire run?"
Answer: According to Rainbird, Flow sensor wire can be splice with approved waterproof wire connector and must be shielded. There shall be only one splice at the point of connection between new and existing irrigation system.

mmm) Are there any DVBE requirements?
Answer: No.

nnn) Is Builder's Risk required?
Answer: If liability insurance and surety bonds, then yes.

ooo) Is this project subject to Davis-Bacon?
Answer: Yes.

ppp) If this project is subject to Davis-Bacon, please provide Federal wage determination.
Answer: It is on Dept. of Labor website

qqq) Is Professional Insurance required?
Answer: The sample contract has all the insurance requirements, one needs to read the sample agreement.

rrr) Does this project involve OCIP?
Answer: The City is not familiar with this acronym.

sss) Can you provide the insurance requirements for the Subcontractors on this project?
Answer: See response qqq).

ttt) Is the subcontractor required to provide the same insurance limits as the General Contractor?
Answer: It does not involve the City. Its GC's policy.

uuu) Based on Plans there are new exterior lights , while there is no plans for the lights demolition, please provide the demo plans of the exterior lights and clarify the scope
Answer: See revised addendum plan sheet.

vvv) Please advise if the METAL STORAGE BUILDING in ADDITIVE ALTERNATE #1 , will be supplied by the City or by the Contractor
Answer: The building is to be supplied by the contractor.

www) Please advise if the PREFABRICATED RESTROOM , will be supplied by the City or by the Contractor
Answer: The building is to be supplied by the contractor.

xxx) Please advise if Contractor would consider Allowance for the repair and re-striping of the exiting parking adjacent to the new parking area
Answer: The existing parking lot is not park of the scope of work. However, the contractor is responsible for any damages due to construction disturbance and mobilization.

yyy) Can you clarify if GC's need to provide the crane support.
Answer: Contractor is responsible for all equipment and material required for construction of site improvements

zzz) Please provide the location of the existing electrical source to consider.
Answer: More info is needed to provide any clarification.

aaaa) Please advise if there are working hours resections
Answer: Regular working hours unless approved by the City in writing.

bbbb) During Job walk , our understanding that there will be new Volleyball areas , but we could not find in the plans , please advise
Answer: There are no new volleyball areas as part of this project.

cccc) "The current bid schedule line items do not fully reflect the complete scope of work and may limit some subcontractors from submitting proposals. Please advise whether the detailed line-item breakdown can be provided by the awarded contractor after the bid. Alternatively, may bidders submit a lump sum amount with the full scope included under the Base Bid and Alternate line items to help facilitate the bid submission process?"
Answer: Contractor shall follow the instructions for bidders as noted in the project documents. City to confirm further direction.

dddd) Please provide the as built of underground existing services / utilities
Answer: Not available at the time of bid.

Jonathan Wu, P. E.
Deputy Director of Public Works

3/17/26
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: _____

Name: Richard Gonzales

Title: President

Company: RH General Engineering, Inc.

Date: 03/17/26

CHECKLIST FOR BIDDERS

The following information is required of all Bidders at the time of Bid submission:

- [x] Bid Cover Form
- [x] Bid Sheets
- [x] Bid Bond or Other Security Form
- [x] Questionnaire
- [x] References Form
- [x] Resume of General Construction Superintendent / On-Site Construction Manager
- [x] Subcontractor Designation Form
- [x] Industrial Safety Record Form
- [x] Bidder's Acknowledgement of Community Workforce Agreement (Only if > $250k)
- [x] Bidder's Acknowledgement of Liability Insurance Requirements
- [x] Non-Collusion Declaration Form
- [x] Non-Discrimination Form
- [x] Penal & Civil Penalties Concerning Contractor's Licensing Laws Form
- [x] Electrical Safety Policy Form (Only if > $500k)

Failure of the Bidder to provide all required information in a complete and accurate manner subjects the Bid to be considered non-responsive.

BID COVER FORM

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

Bidder acknowledges receipt of all addenda, as follows:

Addendum No. 1 Date: 3-17-26
Addendum No. _____ Date: _
Addendum No. _____ Date: _
Addendum No. _____ Date: _

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check, or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses the California Contractor's License specified below.

License No: 1086241
Class: A
Expiration: 05-31-26

Bidder's Name: Rh General Engineering, Inc.
DIR Registration No: 1000979066
*UEI No: L8CHH4XX1EE3
*Only required for federally funded projects

Signature: _____ Title: President Date: 03-17-26
Signature: _____ Title: _____ Date: _

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Base Bid

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization/Demobilization	LS	1	$294,097.00	$ 294,097.00
2	Insurance & Bonds	LS	1	$2,902.00	$ 2,902.00
3	Construction BMPs / Erosion Control	LS	1	$99,306.00	$ 99,306.00
4	Site Demolition	LS	1	$221,020.00	$ 221,020.00
5	Earthwork – Cut	CY	1,500	$16.83	$ 25,245.00
6	Earthwork – Fill	CY	350	$16.18	$ 5,663.00
7	Earthwork – Export	CY	1,150	$49.00	$ 56,350.00
8	Earthwork – Over excavate & Recompact	CY	2,500	$ 18.17	$ 45,425.00
9	Earthwork – Fine Grading	SF	265,000	$ 0.74	$ 196,100.00
10	Stormwater – Concrete Spillway and Rip Rap	LS	1	$ 20,915.00	$ 20,915.00
11	Stormwater – 3" Storm Line	LF	250	$ 42.00	$ 10,500.00
12	Stormwater – 8" Storm Line	LF	120	$ 60.00	$ 7,200.00
13	Stormwater – Basin	SF	6,700	$ 0.78	$ 5,226.00
14	Stormwater – Pump (inc. wet well, controls, pump, valve box, all related piping and appurtenances)	EA	1	$ 34,001.00	$ 34,001.00
15	Stormwater – Parkway Drain	EA	4	$ 6,250.00	$ 25,000.00
16	Stormwater – Drop Inlets	EA	3	$ 1,949.00	$ 5,847.00
17	Stormwater – Gooseneck Discharge	EA	1	$ 6,231.00	$ 6,231.00
18	Domestic Water – Connect to Existing	LS	1	$ 326.00	$ 326.00
19	Domestic Water – Water Line	LF	115	$ 32.00	$ 3,680.00
20	Domestic Water – Adjust Valve Box to Grade	LS	1	$ 976.00	$ 976.00
21	Sewer Utility – 4" Sewer Line	LF	110	$ 68.00	$ 7,480.00
22	Sewer Utility – 6" Sewer Line	LF	130	$ 84.50	$ 10,985.00
23	Sewer Utility – 8" Sewer Line	LF	270	$ 91.00	$ 24,570.00
24	Sewer Utility – Cleanouts	EA	3	$ 1,161.00	$ 3,483.00
25	Sewer Utility – Demo existing VCP Sewer at nearest Joint and Join	LS	1	$ 1,856.00	$ 1,856.00

26	Sewer Utility – Hydrojet, Camera & Trace Allowance	AL	1	$5,000	$5,000
27	Sewer Utility – Allowance for modifications to existing utilities	AL	1	$20,000	$20,000
28	Site Electrical – Distribution Board	EA	1	$88,933.00	$88,933.00
29	Site Electrical – 400A 3P Breaker, Molded Case	EA	1	$7,130.00	$7,130.00
30	Site Electrical – 1 ¼" PVC Conduit	LF	20	$88.20	$1,764.00
31	Site Electrical – 4" PVC	LF	80	$25.00	$2,000.00
32	Site Electrical – Miscellaneous Grounding	LS	1	$10,868.00	$10,868.00
33	Site Electrical – Musco Switchgear & Controls Package	LS	1	$50,551.00	$50,551.00
34	Site Electrical – Musco Light Fixture – 60' Pole	EA	14	$43,407.00	$607,698.00
35	Site Electrical – Musco Light Fixture – 70' Pole	EA	2	$68,134.00	$136,268.00
36	Site Electrical – Single Head Pole Fixture	EA	35	$7,114.00	$249,990.00
37	Site Electrical – Dual Head Pole Fixture	EA	1	$16,668.00	$16,668.00
38	Site Electrical – 1 ½" PVC Conduit	LF	5,800	$6.13	$35,554.00
39	Site Electrical – 1" PVC Conduit	LF	2,800	$7.83	$21,924.00
40	Site Electrical – ¾" PVC Conduit	LF	220	$7.00	$1,540.00
41	Site Electrical – 5" PVC Conduit	LF	280	$25.00	$7,000.00
42	Site Electrical – Monument Sign Light	EA	1	$7,292.00	$7,292.00
43	Site Electrical – Copper Wire #2	LF	3,700	$13.40	$49,580.00
44	Site Electrical – Copper Wire #4	LF	8,600	$3.83	$32,938.00
45	Site Electrical – Copper Wire #6	LF	24,200	$2.41	$58,322.00
46	Site Electrical – Copper Wire #8	LF	1,650	$2.92	$4,818.00
47	Site Electrical – Copper Wire #10	LF	650	$4.00	$2,600.00
48	Site Electrical – Pull Box 24" x 24" x 18"	EA	5	$1,940.00	$9,700.00
49	Site Electrical – Pull Box 24" x 24" x 24"	EA	68	$1,870.00	$127,160.00
50	Site Electrical - Precast Light Pole Base	EA	39	$2,629.00	$102,531.00
51	Site Electrical – Musco Precast Light Pole Base	EA	16	$10,335.00	$165,360.00
52	Site Electrical – Trenching, backfill and compaction	LF	4,900	$12.74	$62,426.00
53	Site Electrical – Connection to Scoreboard, 20A, N3R	EA	3	$2,054.00	$6,162.00
54	Site Electrical – Connection to Submersible Pump, 20A, N3R	EA	1	$2,543.00	$2,543.00
55	Site Electrical – Connection to Existing Irrigation Control, 20A, N3R	EA	1	$2,543.00	$2,543.00
56	Site Electrical – Disconnect switch, motor rated N3R	EA	1	$2,543.00	$2,543.00

57	Prefabricated Restroom & Concessions Building – Includes foundation, slab-on-grade, utility connections, electrical, and all appurtenances necessary to construct per plans	LS	1	$ 1,554,504	$ 1,554,504
58	Existing Restroom Building Improvements	LS	1	$95,394.00	$ 95,394.00
59	Custom Entry Monument Sign	EA	1	$19,402.00	$ 19,402.00
60	Hardscape – 0" Concrete Curb	LF	15	$90.00	$1,350.00
61	Hardscape – 6" Concrete Curb	LF	1,025	$67.00	$68,675.00
62	Hardscape – 6" Concrete Curb and Gutter	LF	60	$86.00	$5,160.00
63	Hardscape – Curb Ramps, inc. Detectable Warning Tiles	LS	1	$ 18,171.00	$ 18,171.00
64	Hardscape – 4" Depth Concrete Pavement	SF	26,575	$15.12	$401,814.00
65	Hardscape – 4" AC Pavement over 12" Aggregate Base	SF	24,000	$ 10.74	$ 257,760.00
66	Hardscape – 3" Depth Decomposed Granite Pavement	SF	1,500	$2.09	$ 3,135.00
67	Hardscape – Standard Parking Stall Striping	EA	56	$251.00	$14,056.00
68	Hardscape – ADA Parking Stall Striping	EA	3	$859.00	$2,577.00
69	Furnishings - Picnic Tables	EA	1	$2,617.00	$2,617.00
70	Furnishings – ADA Picnic Tables	EA	1	$2,726.00	$2,726.00
71	Furnishings - Bleachers	EA	2	$11,732.00	$23,464.00
72	Furnishings - Trash Receptacle	EA	3	$3,113.00	$9,339.00
73	Furnishings - Bicycle Racks	EA	11	$958.00	$10,538.00
74	Furnishings - Accessible Parking Sign	EA	3	$436.00	$1,308.00
75	Furnishings – Basin Warning Sign	EA	2	$559.00	$ 1,118.00
76	Baseball Field – Infield Mix	SF	14,800	$3.65	$54,020.00
77	Baseball Field – Chain Link Fence, 6' H	LF	650	$243.72	$158,418.00
78	Baseball Field – Chain Link Maintenance Gate, Double Leaf, 6' H	EA	1	$ 5,919.00	$ 5,919.00
79	Baseball Field – Chain Link Fence, 10' H	LF	115	$446.00	$51,290.00
80	Baseball Field – Chain Link Pedestrian Gate, Single Leaf, 10' H	EA	1	$ 5,542.00	$ 5,542.00
81	Baseball Field – Chain Link Backstop	EA	1	$71,956.00	$71,956.00
82	Baseball Field – Bases (Set of 4)	EA	2	$2,116.00	$4,232.00
83	Baseball Field – Foul Pole	EA	2	$4,474.00	$8,948.00
84	Baseball Field – Custom Field Sign	EA	1	$559.00	$559.00
85	Baseball Field – Custom Outfield Sign	EA	3	$559.00	$1,677.00
86	Baseball Field – Dugout 10' H Chain link Mesh Fabric on Top	SF	200	$ 548.00	$ 109,600.00

87	Baseball Field – Dugout 10' H Chain link Gate	EA	2	$5,542.00	$11,084.00
88	Baseball Field – Dugout Bat Rack	EA	2	$2,121.00	$4,242.00
89	Baseball Field – Dugout Bench	EA	2	$4,784.00	$4,784.00
90	Existing Baseball Field – 8' H Chain Link Fencing	LF	400	$ 202.00	$ 80,800.00
91	Existing Baseball Field – 8' H Pedestrian Gate	EA	2	$7,428.00	$14,856.00
92	Existing Baseball Field – 8' H Maintenance Gate	EA	2	$ 7,103.00	$ 14,206.00
93	Metal Gate at Concession Building	EA	1	$31,800.00	$31,800.00
94	CMU Wall at Concession Building (6' H)	LF	65	$407.00	$26,455.00
95	Irrigation System	LS	1	$174,973	$ 174,973.00
96	Irrigation – Allowance for unforeseen repairs to the irrigation system	LS	1	26,246.00	26,246.00
97	Landscape Planting - Turf Hydroseed	SF	152,100	$0.12	$18,252.00
98	Landscape Planting – Baseball Field Turf Hydroseed	SF	29,615	$ 0.26	$ 7,699.90
99	Landscape Planting – 24" Box Trees	EA	17	$645.00	$10,965.00
100	Landscape Planting – 5 gal Shrubs	EA	417	$23.00	$9,591.00
101	Landscape Planting – 1 gal Groundcover	EA	184	$11.50	$2,116.00
102	Landscape Planting - Planting Area Mulch	CY	140	$68.00	$9,520.00
103	Landscape Planting - Soil Preparation & Amendments	SF	197,000	$ 0.30	$ 59,100.00
104	Landscape Planting - Herbicide	LS	1	$11,592.00	$11,592.00
105	Landscape Planting - Topsoil	CY	6,735	$44.00	$296,340.00
106	Landscape Planting – Allowance for unforeseen repairs to the planting and turf areas	LS	1	$ 38,087.00	$ 38,087.00
107	Landscape Maintenance Period	LS	1	$31,324.00	$31,324.00
108	As-Builts / Record Drawings	LS	1	$5,803.00	$5,803.00
109	SWPPP	LS	1	$4,643.00	$4,643.00

Total Base Bid Price in Digits: $6,878,021.90

Total Base Bid Price in Words: Six million eight hundred seventy-eight thousand twenty-one dollars and ninety cents

Additive Alternate #1- Pre-Engineered Metal Storage Building

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Demolition of Existing Storage Building	LS	1	$28,400.00	$28,400.00
2	Grading and Earthwork	LS	1	$30,690.00	$30,690.00

3	Concrete Pavement	SF	1,000	$30.91	$30,910.00
4	Construction BMPs / Erosion Control	LS	1	$13,906.00	$13,906.00
5	Unforeseen repairs to the existing mechanical yard noted to remain	LS	1	$ 29,015.00	$ 29,015.00
6	Pre-Engineered Metal Storage Building – Includes foundation, slab-on-grade, utility connections, electrical, and all appurtenances necessary to construct per plans	LS	1	$ 304,646.00	$ 304,646.00
7	Hardscape – 3" Depth Decomposed Granite Pavement	SF	265	$ 6.00	$ 1,590.00

Total Add Alt. #1 Price in Digits: $ 439,157.00

Total Add Alt. #1 Price in Words Four hundred thirty-nine thousand one hundred fifty-seven dollars and zero cents

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☑ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

_ DOLLARS ($ 10% Bid Bond)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: President Date: 03-17-26

Signature: _____ Title: _____ Date: _

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Palmdale ("Public Agency"), has issued an Invitation for Bids for the Work described as follows: PN 839 – MCADAM PARK.

WHEREAS RG General Engineering, Inc. 3954 Bluff ST Norco, CA 92860
Name and Address of Bidder

("Principal"), desires to submit a Bid to Public Agency for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and

United Fire & Casualty Company 118 Second Ave SE, Cedar Rapids, IA 52401
Name and Address of Surety

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the Public Agency in the penal sum of:

Ten Percent of Bid _ DOLLARS ($ 10% of Bid)

being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the Public Agency and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the Public Agency in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

CONTINUES ON NEXT PAGE

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: March 17th, 2026

"Principal"	"Surety"
RG General Engineering, Inc.	United Fire & Casualty Company
By:	By:
Its: Richard Gonzales- President	Its: Jodie Lee Doner, Attorney-in-Fact
By:	By:
Its:	Its:

Note: Evidence of the authority of any person signing as attorney-in-fact must be attached. Contractor's Bonding Company to attach appropriate Notary documents and Power of Attorney

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of LOS ANGELES)

On MARCH 23, 2026 before me, GLORIA MACIAS, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared RICHARD GONZALES,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

GLORIA MACIAS
Notary Public - California
Los Angeles County
Commission # 2449942
My Comm. Expires Jun 13, 2027

Signature _____ **(Seal)**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Ventura)

On 3/17/2026 before me, Malisa Kieffer, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Jodie L. Doner,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MALISA KIEFFER
Notary Public - California
Los Angeles County
Commission # 2345514
My Comm. Expires Jan 13, 2030

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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UNITED FIRE & CASUALTY COMPANY, CEDAR RAPIDS, IA
UNITED FIRE & INDEMNITY COMPANY, WEBSTER, TX
FINANCIAL PACIFIC INSURANCE COMPANY, ROSEVILLE, CA

POWER OF ATTORNEY

To verify the authenticity of this Power of Attorney, please contact us at
UFG Insurance, 118 Second Ave SE, Cedar Rapids, IA 52401
telephone (800) 343-9130 or email *surety@unitedfiregroup.com*
THIS POWER OF ATTORNEY IS VOID IF ALTERED
To notify us of a claim, please contact us at *surety@unitedfiregroup.com*

KNOW ALL PERSONS BY THESE PRESENTS, That United Fire & Casualty Company, a corporation duly organized and existing under the laws of the State of Iowa; United Fire & Indemnity Company, a corporation duly organized and existing under the laws of the State of Texas; and Financial Pacific Insurance Company, a corporation duly organized and existing under the laws of the State of California (herein collectively called the Companies), and having their corporate headquarters in Cedar Rapids, State of Iowa, does make, constitute and appoint

JODIE LEE DONER, MARK LYON, AARON FOSBURG, KEVIN P. REED, EACH INDIVIDUALLY

their true and lawful Attorney(s)-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature provided that no single obligation shall exceed $75,000,000.00 and to bind the Companies thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Companies and all of the acts of said Attorney, pursuant to the authority hereby given and hereby ratified and confirmed.

The Authority hereby granted by United Fire & Casualty Company, United Fire & Indemnity Company, and Financial Pacific Insurance Company shall expire as of the 3rd day of February, 2028 unless sooner revoked.

This Power of Attorney has been duly made, executed and delivered pursuant to, and in accordance with, the articles of incorporation, bylaws, and other governing documents of each of the respective Companies, and by authority therein granted and under applicable corporate law.

IN WITNESS WHEREOF, the COMPANIES have each caused these presents to be signed by its officer and its corporate seal to be hereto affixed this 3rd day of February, 2026.

By: _____
Kyanna M. Saylor, Vice President of
United Fire & Casualty Company
United Fire & Indemnity Company
Financial Pacific Insurance Company

State of Iowa, County of Linn, ss:
On this 3rd day of February, 2026, before me personally came Kyanna M. Saylor to me known, who being by me duly sworn, did depose and say; that she is a Vice President of UNITED FIRE & CASUALTY COMPANY, a Vice President of UNITED FIRE & INDEMNITY COMPANY, and a Vice President of FINANCIAL PACIFIC INSURANCE COMPANY, the corporations described in and which executed the above instrument; that she knows the seal of said corporations; that the seals affixed to the said instrument are such corporate seals; that these seals were so affixed pursuant to authority given by the Boards of Directors of said corporations and that she signed her name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.

Judith A. Jones
Iowa Notarial Seal
Commission number 173041
My Commission Expires 04/23/2027

Notary Public: _____
My commission expires: 04/23/2027

I, Mary A. Bertsch, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of each said Company this 17th day of March, 2026.

By: _____
Mary A. Bertsch, Assistant Secretary of
United Fire & Casualty Company
United Fire & Indemnity Company
Financial Pacific Insurance Company

BPOA0045 012026

RG General Engineering, Inc.

RG GENERAL ENGINEERING, INC.
MINUTES OF BOARD OF DIRECTORS MEETING

A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF RG GENERAL ENGINEERING, INC., A CALIFORNIA CORPORATION, WAS HELD AT 3594 BLUFF ST. NORCO, CA. 92860 ON JANUARY 6TH, 2026.

THE BOARD OF DIRECTORS OF THE CORPORATION:

RICHARD GONZALES DIRECTOR

CONSTITUTING ALL OF THE MEMBERS OF THE BOARD OF DIRECTORS WERE PRESENT AT THE MEETING.

THE MOTION WAS DULY MADE, SECONDED AND CARRIED THE FOLLOWING RESOLUTION WAS ADOPTED:

RESOLVED, RICHARD GONZALES, PRESIDENT, IS SOLELY VESTED FULL AUTHORITY TO SIGN ANY AND AN ALL CONTRACTUAL DOCUMENTS FOR THE CORPORATION, AND THEREFORE HAS THE FULL AUTHORITY TO OBLIGATE THE CORPORATION IN ALL CONTRACTURAL MATTERS.

THE UNDERSIGNED, RICHARD GONZALES, PRESIDENT, CERTIFIED THAT RICHARD GONZALES IS THE DULY APPOINTED PRESIDENT OF RG GENERAL ENGINEERING, INC., AND THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE RESOLUTION DULY ADOPTED AT A MEETING OF BY LAWS OF SAID CORPORATION ON JANUARY 6TH, 2026.

IN WITNESS THEREOF, I HAVE AFFIXED MY NAME AS PRESIDENT OF THE CORPORATION, AND HAVE ATTACHED THE SEAL OF RG GENERAL ENGINEERING, INC. TO THIS RESOLUTION.

DATE: JANUARY 6TH, 2026



RICHARD GONZALES - PRESIDENT

3594 Bluff St. Norco, CA. 92860
(951) 963-4268

QUESTIONNAIRE

Fill out all the following information. Attach additional sheets if necessary.

(1) Bidder's Name: RH General Engineering, Inc.

(2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.

N/A

(3) Business Address: 3594 Bluff St. Norco, CA. 92860

(4) Telephone: (951) 963-4268

(5) Type of Firm (Individual, Partnership, LLC, or Corporation): Corporation

(6) Corporation organized under the laws of the State of: California

(7) California State Contractors License Number & Class: 1086241 A

Original Date Issued: 01-18-2022 Expiration Date: 05-31-2026

(8) DIR Contractor Registration Number: 1000979066

(9) Name and title of the person(s) who inspected the Project Site for your firm:

Richard Gonzales · Project Manager

(10) Name and title of the person(s) who attended the mandatory pre-bid meeting for your firm, including the mandatory site visit (if any):

Richard Gonzales - Project Manager

(11) Number of years' experience the company has as a contractor in construction work:

3.5 years

(12) Names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint venturers, and company or corporate officers having a principal interest in this bid:

Richard Gonzales - President / Project Manager
3594 Bluff st. Norco, CA. 92860

(13) Current and prior D.B.A's, aliases, and fictitious business names for any principal having interest in this bid:

N/A

(14) Dates of any voluntary or involuntary bankruptcy judgements against any principal having an interest in this bid:

N/A

(15) For all arbitrations, lawsuits, settlements, and the link (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses, and telephone numbers of contact persons for the parties:

N/A

Briefly summarize the parties' claims and defenses:

N/A

b. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

(16) Has the company or any principal having an interest in this Bid ever had a contract terminated by the Owner or Agency? If yes, explain.

NO

(17) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

NO

(18) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

NO

(19) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

a. By you against the Owner? Circle one: Yes (No)

b. By the Owner against you? Circle one: Yes (No)

c. By any outside agency or individual for labor compliance? Circle one: Yes (No)

d. By subcontractors? Circle one: Yes (No)

e. Are any of these claims or actions unresolved or outstanding? Circle one: Yes (No)

If your answer is "yes" to any part or parts of this question, please explain:

N/A

(20) List the last three (3) projects you have worked on or are currently working on for the City of Palmdale:

none

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

Company: RT General Engineering, Inc.

Signature:

Title: President

Date: 03-17-26

Signature: _

Title: _

Date: _

REFERENCES FORM

For all public agency projects more than $100,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1

Name/Number: Vista del Verde Park Sport Court Improvements / NA

Project Description: sport court improvements; earthwork, grading, hardscape/paving, walls/fence, site furnishings, landscape/irrigation, site lighting

Approximate Construction Dates: From: January 2024 To April 2024

Agency Name: City of Yorba Linda

Contact Person: Brad Skeene Telephone (714) 961-7199

Address: 4845 Casa Loma Ave. Yorba Linda, CA. 92886

Original Contract Amount: $565,882.00 Final Contract Amount: $565,882.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 2

Name/Number: Premier Park Renovation Project / NA

Project Description: park renovations; site furnishings, landscape, play equipment, exercise equipment, etc.

Approximate Construction Dates: From: June 2024 To December 2024

Agency Name: City of Stanton

Contact Person: Han Sol Yoo Telephone (714) 890-4204

Address: 7800 Katella Ave. Stanton, CA. 90680

Original Contract Amount: $1,216,105.00 Final Contract Amount: $1,216,105.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 3

Name/Number: Guadalupe Field at Sal Saavedra Park Revitalization / PR 23-005

Project Description: demolition & removal of existing park & field features, accessibility improvements

Approximate Construction Dates: From: November 2024 To April 2025

Agency Name: City of San Bernardino

Contact Person: Ramond "eddie" Nerdez Telephone (909) 384-5140

Address: 290 N D st. San Bernardino, CA. 92401

Original Contract Amount: $1,388,937.00 Final Contract Amount: $1,388,937.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 4

Name/Number: Kabian Park Improvements / PKAPC-271

Project Description: park improvements; new pre-fab restroom, playground, site work, asphalt/concrete pavement, granite parking lot, landscape, signage, fencing, etc.

Approximate Construction Dates: From: October 2024 To May 2025

Agency Name: Riverside County Regional Park and Open Space District

Contact Person: Paul Ortiz Telephone (951)625-5718

Address: 4600 Crestmore Rd. Riverside, CA. 92509

Original Contract Amount: $1,532,610.00 Final Contract Amount: $1,532,610.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 5

Name/Number: Fritz Burns Park Improvements / 2021-02A

Project Description: park improvements; demolition, concrete/asphalt pavement, curb, gutter, site furnishings, drainage improvements; new restroom, new shade structure, etc.

Approximate Construction Dates: From: September 2025 To TBD

Agency Name: City of La Quinta

Contact Person: Ubaldo Ayon Telephone (760) 275-2789

Address: 78495 Calle Tampico La Quinta, CA. 92253

Original Contract Amount: $ 6,879,699.00 Final Contract Amount: $ TBD

If final amount is different from original amount, please explain (change orders, extra work, etc.)

N/A

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

RESUME

Attach to this Bid the experience resume of the person who will be designated as the General Construction Superintendent or on-site Construction Manager for the Project.

Richard Gonzales - Construction Manager *see attached*

Richard Gonzales
President

richard@rginc.net | (951) 963-4268 | Norco, CA.

Experience

1/2022 – Present *Norco, CA.*	RG General Engineering, Inc. President/Owner
7/2004 – 5/2023 *Chino, CA.* *Walnut, CA.*	C.S. Legacy Construction, Inc. Estimator/Secretary Volume $30 Million
3/2000 - 7/2004 *Corona, CA.*	All American Asphalt Laborer/Foreman Volume $200 Million
2/1997 - 3/2000 *Temecula, CA.*	Sean Malek Engineering Construction Grade Checker Volume $30 Million

Education

1973-1978
High School Diploma
Corona High School

References

Great Park Baseball Bullpens Improvements Project
City of Irvine
1 Civic Center Plaza
Irvine, CA. 92606
$141,677.18

Civic Center Bridge and Landscape Renovation Project
City of Garden Grove
11222 Acacia Pkwy
Garden Grove, CA. 92840
$361,324.00

Sallee Park Improvement Project
City of San Jacinto
595 S. San Jacinto Ave.
San Jacinto, CA. 92583
$214,151.00

DESIGNATION OF SUBCONTRACTORS
[Public Contract Code Section 4104]

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or $10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors. Contractor is required to fill out this table fully to be in compliance with the bid.

Name under which Subcontractor is licensed and registered	CSLB License Number(s) & Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)1
BBO Construction Inc. dba Escoto Concrete	#1031242 B, C-8	PW-LR-1001108539	5065 Rockhurst CT Riverside, CA. 92503 (951) 756-4472	Concrete	7%
Geem Construction	#1023438 B, C29, C-8	2000013352	6136 Orchard Grove Way Riverside, CA. 92505 (951) 536-7648	masonry	1%
Case Land Surveying, Inc.	#LS411 Survey	1000001533	614 N. Eckhoff st. Orange, CA. 92868 (714) 628-8948	survey	1%
ABC Resources Inc.	#538680 A, C12, C32	1000001608	1527 W State St. Ontario. CA. 91762 (909) 988-0390	striping : signs	1%
HydroSprout Inc.	#582303 C27	1000005171	460-A Corporate Dr. Escondido CA. 92029 (760) 432-8233	hydroseeding	1%
Hardy & Harper Inc.	#215952 A, C-8, C12	1000000076	32 Rancho Circle Lake Forest CA. 92630 (714) 444-1851	asphalt concrete	3%
Wolverine Fence Company Inc.	#870586 C13	1000009678	930 S Cypress St. La Habra, CA. 90631 (562) 948-2030	Fencing	6%
Electro Construction Corp	#95881 B, C10	1000004159	2225 Windsor Ave. Altadena, CA. 91001 (323) 660-4141	electrical	24%

[1]The percentage of the total Bid shall represent the "portion of work" for the purposed of Public Contract Code Section 4104(b).

INDUSTRIAL SAFETY RECORD FORM

Bidder's Name: Rh General Engineering, Inc.

	Current Year of Record	2025	2024	2023	2022	2021	Total
Number of contracts	6	4	3	0	0	0	13
Total dollar amount of contracts[1]	$11,120,241.50	$3,618,136.00	$717,152.18	0	0	0	$15,455,529.68
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	0	0	0	0	0	0	0
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	0	0	0	0

[1] *In thousands of dollars*

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: _____ Title: President Date: 03-17-26

Signature: _____ Title: _____ Date: _

BIDDER'S ACKNOWLEDGMENT OF CWA REQUIREMENTS

ONLY APPLICABLE FOR PROJECTS OVER $250,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE COMMUNITY WORKFORCE AGREEMENT AND AGREES TO COMPLY WITH ALL THE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the City of Palmdale's Community Workforce Agreement.

Signature: _____ Title: President Date: 03-17-26

Signature: _____ Title: _____ Date: _____

BIDDER'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ LIABILITY INSURANCE REQUIREMENTS OF SECTION 5-4.2 OF THE GENERAL PROVISIONS AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE BIDDER TO OBTAIN THE REQUIRED LIABILITY INSURANCE AFTER THE AWARD OF CONTRACT MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the Liability Insurance as required under Section 5-4.2 of the General Provisions.

Signature: _____ Title: President Date: 03-17-26

Signature: _____ Title: _____ Date: _

NONCOLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the President of Rh General Engineering, Inc, the party making the foregoing Bid.
(Title) (Firm)

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on March 17th 2026, at Norco, CA.
(Date) (City, State)

Signature: _
Printed Name: _ Richard Gonzales
Date: _

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of LOS ANGELES)

On MARCH 23, 2026 before me, GLORIA MACIAS, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared RICHARD GONZALES,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

GLORIA MACIAS
Notary Public - California
Los Angeles County
Commission # 2449942
My Comm. Expires Jun 13, 2027

Signature _____ **(Seal)**

BIDDER'S CERTIFICATE OF NON-DISCRIMINATION

Each bidder must submit with the Proposal a fully executed Bidder's Certificate of Non-Discrimination by Contractors. Bids will not be considered unless accompanied by the completed Certificate.

As a supplier of labor, materials, supplies, goods or services to the Owner, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

The undersigned agrees specifically:

1. To establish and observe employment policies which affirmatively promote opportunities for minority persons at all job levels.

2. To communicate such policies to all persons concerned, including all firm employees, outside recruiting services, especially those serving minority communities, and the minority communities at large.

3. To take affirmative steps to hire minority employees within the firm.

EH General Engineering, Inc.
Firm Name of Bidder

By: _____
Signature of Authorized Officer

President
Title of Officer

Date: 03-17-26

Please include any additional information available regarding equal opportunity employment programs now in effect within your firm:

N/A

BIDDER'S ACKNOWLEDGING PENAL AND CIVIL PENALTIES CONCERNING THE CONTRACTORS' LICENSING LAWS

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code Section 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.
(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars ($4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both. In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, the price of the contract for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13 inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposed of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code Section 20103.5

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of prequalification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

License No: 1086241
Class: A
Expiration: 05-31-26

RH General Engineering, Inc.
Firm Name of Bidder

By: _____
Signature of Authorized Officer

President
Title of Officer

Date: 03-17-26

ELECTRICAL SAFETY POLICY – IMPLEMENTATION PLAN

ONLY APPLICABLE FOR PROJECTS OVER $500,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

PROJECT NAME:	MCADAM PARK PROJECT	PROJECT NO:	839

THE CONTRACTOR ACKNOWLEDGES THAT HE/SHE HAS READ THE ELECTRICAL SAFETY POLICY ADOPTED BY CITY OF PALMDALE RESOLUTION NO. CC 2007-249, ON NOVEMBER 7, 2007, AND AGREES TO IMPLEMENT ITS PROVISIONS. THE CONTRACTOR ATTESTS THAT IT'S ELECTRICAL WORKFORCE, INCLUDING SUBCONTRACTORS, SHALL COMPLY WITH THE FOLLOWING PROVISIONS IN ACCORDANCE WITH THE ELECTRICAL SAFETY POLICY:

1.	All electricians on the project shall be certified by the California Division of Apprenticeship Standards pursuant to California Labor Code Section 3099, unless the electrician is a registered apprentice performing electrical work as part of an apprenticeship program approved by the Chief of the California Division of Apprenticeship Standards, a federal Bureau of Apprenticeship Training program, or a state apprenticeship program authorized by the federal Bureau of Apprenticeship Training, or unless the electrician has fulfilled the requirements under Section 3099.4(a) of the California Labor Code in order to acquire the necessary on-the-job experience for certification.
2.	All jobsite journeyman level and apprentice electricians on the project must be OSHA 10-hour General Construction Industry Safety & Health Certified.
3.	All jobsite journeyman level electricians on the project must be OSHA 30-hour General Construction Industry Safety & Health Certified.
4.	All jobsite journeyman level and apprentice electricians on the project must be trained and certified in first aid and cardiopulmonary resuscitation (CPR) - Such training shall be equal to or exceed that offered by the American Red Cross.
5.	Electrical work performed on traffic signals, lighted signage, landscape irrigation systems and communication systems shall be exempt from the above provisions.

FAILURE TO FULLY IMPLEMENT AND MONITOR THE ELECTRICAL SAFETY POLICY MAY RESULT IN AN ASSESSMENT OF PENALTIES AND/OR POSSIBLE SANCTIONS AGAINST THE CONTRACTOR.

Distribution:

- *Contractor*
- *Project File*
- *Inspector*
- *Labor Compliance*

As the contractor's representative, I understand and agree to comply with all provisions of the subject Electrical Safety Policy.

Signature — Date: 03-17-26

Richard Gonzales – President

LETTER OF ASSENT
(Example)

ONLY APPLICABLE FOR PROJECTS OVER $250,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

To be signed by all consultants awarded work covered by the Community Workforce Agreement prior to commencing work.

[Copy to Contractors Letterhead] * See attached *

Date:

Community Workforce Coordinator
City of Palmdale
38250 Sierra Highway
Palmdale, CA 93550
Attn: CWA Coordinator

Dear Sir or Madam:

This is to confirm that **[name of company]** agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective May 20, 2019, 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 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,

* See attached *

[Contractor's Company Name]
By: Name and Title of Authorized Executive
Contractor's State License No.
Project Name

RG General Engineering, Inc.

March 17th 2026

Community Workforce Coordinator
City of Palmdale
38250 Sierra Highway
Palmdale, CA. 93550
Attn: CWA Coordinator

Dear Sir or Madam:

This is to confirm that RG General Engineering, Inc. agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective May 20, 2019, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to 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 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,

RG General Engineering, Inc.
By: Richard Gonzales - President
CSLB: 1086241
McAdam Park Project

3594 Bluff St. Norco, CA. 92860
(951) 963-4268

REFERENCES

1. Great Park Baseball Bullpens Improvements Project
City of Irvine
1 Civic Center Plaza
Irvine, CA. 92606
Contact: Farhad Bolourchi
(949) 724-6689
Completed July 2023
$141,677.18

2. Civic Center Bridge and Landscape Renovation Project
City of Garden Grove
11222 Acacia Pkwy
Garden Grove, CA. 92840
Contact: Janet Pelayo
(714) 741-5215
Completed October 2023
$361,324.00

3. Sallee Park Improvement Project
City of San Jacinto
595 S. San Jacinto Ave.
San Jacinto, CA. 92583
Contact: Kristy Rightmire
(951) 654-3592
Completed December 2023
$214,151.00

4. Vista del Verde Sport Court Improvements
City of Yorba Linda
4845 Casa Loma Ave.
Yorba Linda, CA. 92886
Contact: Brad Skeene
(714) 961-7199
Completed April 2024
$ 565,882.00

5. Miscellaneous Improvements at Various Sites
Alvord Unified School District
9 KPC Parkway
Corona, CA. 92879
Contact: Brenden Acrey
(760) 217-4346
October 2024
$1,600,000.00

6. Premier Park Renovation Project
City of Stanton
7800 Katella Ave.

Stanton, CA. 90680
Contact: Han Sol Yoo
(714) 890-4204
December 2024
$1,216,105.00

7. Guadalupe Field at Sal Saavedra Park
City of San Bernardino
290 N D Street
San Bernardino, CA. 92401
Contact: Ramond "Eddie" Mendez
(909) 384-5140
April 2025
$1,388,937.00

8. Kabian Park Improvements
Riverside County Regional Park and Open Space District
4600 Crestmore Rd.
Riverside, CA. 92509
Contact: Paul Ortiz
(951) 675-5778
May 2025
$1,532,670.00

9. Pickleball Courts at Leonard Bailey Park
City of Loma Linda
25541 Barton Rd.
Loma Linda, CA. 92654
Contact: John Trujillo
(909) 253-8884
January 2025
$236,149.00

10. Parmenter Park Parking Lot Improvements
City of Norco
2870 Clark Ave.
Norco, CA. 92860
Contact: Amanda Hamilton
(951) 270-5633
April 2025
$ 424,386.00

11. Veterans Memorial Wall
Jurupa Area Recreation and Park District
8621 Jurupa Rd.
Jurupa Valley, CA. 92509
Contact: Colby Diuguid
(951) 361-2090
May 2025
$ 564,835.00

12. Tsuneishi Park Project
City of Monrovia
415 S Ivy Ave.
Monrovia, CA. 91016
Contact: Christopher Castruita
(626) 256-8224
In Progress
$838,042.00

13. Bryant Ranch Park
City of Yorba Linda
4845 Casa Loma Ave.
Yorba Linda, CA. 92886
Contact: Brad Skeene
(714) 961-7199
February 2026
$417,186.50

14. Fritz Burns Park
City of La Quinta
78495 Calle Tampico
La Quinta, CA. 92253
Contact: Ubaldo Ayon
760-275-2789
In Progress
$6,879,699.00

15. Moreno Arena LED Lighting Upgrades
City of Norco
2870 Clark Ave.
Norco, CA. 92860
Contact: Amanda Hamilton
951-270-5633
In Progress
$451,745.00

16. City Parks Improvements
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA. 92840
Contact: Janet Pelayo
(714) 741-5215
In Progress
$1,544,348.00

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Base Bid

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization/Demobilization	LS	1	$294,097.00	$ 294,097.00
2	Insurance & Bonds	LS	1	$2,902.00	$ 2,902.00
3	Construction BMPs / Erosion Control	LS	1	$99,306.00	$ 99,306.00
4	Site Demolition	LS	1	$221,020.00	$ 221,020.00
5	Earthwork – Cut	CY	1,500	$16.83	$ 25,245.00
6	Earthwork – Fill	CY	350	$16.18	$ 5,663.00
7	Earthwork – Export	CY	1,150	$49.00	$ 56,350.00
8	Earthwork – Over excavate & Recompact	CY	2,500	$ 18.17	$ 45,425.00
9	Earthwork – Fine Grading	SF	265,000	$ 0.74	$ 196,100.00
10	Stormwater – Concrete Spillway and Rip Rap	LS	1	$ 20,915.00	$ 20,915.00
11	Stormwater – 3" Storm Line	LF	250	$ 42.00	$ 10,500.00
12	Stormwater – 8" Storm Line	LF	120	$ 60.00	$ 7,200.00
13	Stormwater – Basin	SF	6,700	$ 0.78	$ 5,226.00
14	Stormwater – Pump (inc. wet well, controls, pump, valve box, all related piping and appurtenances)	EA	1	$ 34,001.00	$ 34,001.00
15	Stormwater – Parkway Drain	EA	4	$ 6,250.00	$ 25,000.00
16	Stormwater – Drop Inlets	EA	3	$ 1,949.00	$ 5,847.00
17	Stormwater – Gooseneck Discharge	EA	1	$ 6,231.00	$ 6,231.00
18	Domestic Water – Connect to Existing	LS	1	$ 326.00	$ 326.00
19	Domestic Water – Water Line	LF	115	$ 32.00	$ 3,680.00
20	Domestic Water – Adjust Valve Box to Grade	LS	1	$ 976.00	$ 976.00
21	Sewer Utility – 4" Sewer Line	LF	110	$ 68.00	$ 7,480.00
22	Sewer Utility – 6" Sewer Line	LF	130	$ 84.50	$ 10,985.00
23	Sewer Utility – 8" Sewer Line	LF	270	$ 91.00	$ 24,570.00
24	Sewer Utility – Cleanouts	EA	3	$ 1,161.00	$ 3,483.00
25	Sewer Utility – Demo existing VCP Sewer at nearest Joint and Join	LS	1	$ 1,856.00	$ 1,856.00

26	Sewer Utility – Hydrojet, Camera & Trace Allowance	AL	1	$5,000	$5,000
27	Sewer Utility – Allowance for modifications to existing utilities	AL	1	$20,000	$20,000
28	Site Electrical – Distribution Board	EA	1	$88,933.00	$88,933.00
29	Site Electrical – 400A 3P Breaker, Molded Case	EA	1	$7,130.00	$7,130.00
30	Site Electrical – 1 ¼" PVC Conduit	LF	20	$88.20	$1,764.00
31	Site Electrical – 4" PVC	LF	80	$25.00	$2,000.00
32	Site Electrical – Miscellaneous Grounding	LS	1	$10,968.00	$10,968.00
33	Site Electrical – Musco Switchgear & Controls Package	LS	1	$50,551.00	$50,551.00
34	Site Electrical – Musco Light Fixture – 60' Pole	EA	14	$43,407.00	$607,698.00
35	Site Electrical – Musco Light Fixture – 70' Pole	EA	2	$68,134.00	$136,268.00
36	Site Electrical – Single Head Pole Fixture	EA	35	$7,114.00	$249,990.00
37	Site Electrical – Dual Head Pole Fixture	EA	1	$16,668.00	$16,668.00
38	Site Electrical – 1 ½" PVC Conduit	LF	5,800	$6.13	$35,554.00
39	Site Electrical – 1" PVC Conduit	LF	2,800	$7.83	$21,924.00
40	Site Electrical – ¾" PVC Conduit	LF	220	$7.00	$1,540.00
41	Site Electrical – 5" PVC Conduit	LF	280	$25.00	$7,000.00
42	Site Electrical – Monument Sign Light	EA	1	$7,292.00	$7,292.00
43	Site Electrical – Copper Wire #2	LF	3,700	$13.40	$49,580.00
44	Site Electrical – Copper Wire #4	LF	8,600	$3.83	$32,938.00
45	Site Electrical – Copper Wire #6	LF	24,200	$2.41	$58,322.00
46	Site Electrical – Copper Wire #8	LF	1,650	$2.92	$4,818.00
47	Site Electrical – Copper Wire #10	LF	650	$4.00	$2,600.00
48	Site Electrical – Pull Box 24" x 24" x 18"	EA	5	$1,940.00	$9,700.00
49	Site Electrical – Pull Box 24" x 24" x 24"	EA	68	$1,870.00	$127,160.00
50	Site Electrical - Precast Light Pole Base	EA	39	$2,629.00	$102,531.00
51	Site Electrical – Musco Precast Light Pole Base	EA	16	$10,335.00	$165,360.00
52	Site Electrical – Trenching, backfill and compaction	LF	4,900	$12.74	$62,426.00
53	Site Electrical – Connection to Scoreboard, 20A, N3R	EA	3	$2,054.00	$6,162.00
54	Site Electrical – Connection to Submersible Pump, 20A, N3R	EA	1	$2,543.00	$2,543.00
55	Site Electrical – Connection to Existing Irrigation Control, 20A, N3R	EA	1	$2,543.00	$2,543.00
56	Site Electrical – Disconnect switch, motor rated N3R	EA	1	$2,543.00	$2,543.00

57	Prefabricated Restroom & Concessions Building – Includes foundation, slab-on-grade, utility connections, electrical, and all appurtenances necessary to construct per plans	LS	1	$ 1,554,504	$ 1,554,504
58	Existing Restroom Building Improvements	LS	1	$95,394.00	$ 95,394.00
59	Custom Entry Monument Sign	EA	1	$19,402.00	$ 19,402.00
60	Hardscape – 0" Concrete Curb	LF	15	$90.00	$1,350.00
61	Hardscape – 6" Concrete Curb	LF	1,025	$67.00	$68,675.00
62	Hardscape – 6" Concrete Curb and Gutter	LF	60	$86.00	$5,160.00
63	Hardscape – Curb Ramps, inc. Detectable Warning Tiles	LS	1	$ 18,171.00	$ 18,171.00
64	Hardscape – 4" Depth Concrete Pavement	SF	26,575	$15.12	$401,814.00
65	Hardscape – 4" AC Pavement over 12" Aggregate Base	SF	24,000	$ 10.74	$ 257,760.00
66	Hardscape – 3" Depth Decomposed Granite Pavement	SF	1,500	$2.09	$ 3,135.00
67	Hardscape – Standard Parking Stall Striping	EA	56	$251.00	$14,056.00
68	Hardscape – ADA Parking Stall Striping	EA	3	$859.00	$2,577.00
69	Furnishings - Picnic Tables	EA	1	$2,617.00	$2,617.00
70	Furnishings – ADA Picnic Tables	EA	1	$2,726.00	$2,726.00
71	Furnishings - Bleachers	EA	2	$11,732.00	$23,464.00
72	Furnishings - Trash Receptacle	EA	3	$3,113.00	$9,339.00
73	Furnishings - Bicycle Racks	EA	11	$958.00	$10,538.00
74	Furnishings - Accessible Parking Sign	EA	3	$436.00	$1,308.00
75	Furnishings – Basin Warning Sign	EA	2	$559.00	$ 1,118.00
76	Baseball Field – Infield Mix	SF	14,800	$3.65	$54,020.00
77	Baseball Field – Chain Link Fence, 6' H	LF	650	$243.72	$158,418.00
78	Baseball Field – Chain Link Maintenance Gate, Double Leaf, 6' H	EA	1	$ 5,919.00	$ 5,919.00
79	Baseball Field – Chain Link Fence, 10' H	LF	115	$446.00	$51,290.00
80	Baseball Field – Chain Link Pedestrian Gate, Single Leaf, 10' H	EA	1	$ 5,542.00	$ 5,542.00
81	Baseball Field – Chain Link Backstop	EA	1	$71,956.00	$71,956.00
82	Baseball Field – Bases (Set of 4)	EA	2	$2,116.00	$4,232.00
83	Baseball Field – Foul Pole	EA	2	$4,474.00	$8,948.00
84	Baseball Field – Custom Field Sign	EA	1	$559.00	$559.00
85	Baseball Field – Custom Outfield Sign	EA	3	$559.00	$1,677.00
86	Baseball Field – Dugout 10' H Chain link Mesh Fabric on Top	SF	200	$ 548.00	$ 109,600.00

87	Baseball Field – Dugout 10' H Chain link Gate	EA	2	$5,542.00	$11,084.00
88	Baseball Field – Dugout Bat Rack	EA	2	$2,121.00	$4,242.00
89	Baseball Field – Dugout Bench	EA	2	$4,784.00	$4,784.00
90	Existing Baseball Field – 8' H Chain Link Fencing	LF	400	$ 202.00	$ 80,800.00
91	Existing Baseball Field – 8' H Pedestrian Gate	EA	2	$7,428.00	$14,856.00
92	Existing Baseball Field – 8' H Maintenance Gate	EA	2	$ 7,103.00	$ 14,206.00
93	Metal Gate at Concession Building	EA	1	$31,800.00	$31,800.00
94	CMU Wall at Concession Building (6' H)	LF	65	$407.00	$26,455.00
95	Irrigation System	LS	1	$174,973	$ 174,973.00
96	Irrigation – Allowance for unforeseen repairs to the irrigation system	LS	1	26,246.00	26,246.00
97	Landscape Planting - Turf Hydroseed	SF	152,100	$0.12	$18,252.00
98	Landscape Planting – Baseball Field Turf Hydroseed	SF	29,615	$ 0.26	$ 7,699.90
99	Landscape Planting – 24" Box Trees	EA	17	$645.00	$10,965.00
100	Landscape Planting – 5 gal Shrubs	EA	417	$23.00	$9,591.00
101	Landscape Planting – 1 gal Groundcover	EA	184	$11.50	$2,116.00
102	Landscape Planting - Planting Area Mulch	CY	140	$68.00	$9,520.00
103	Landscape Planting - Soil Preparation & Amendments	SF	197,000	$ 0.30	$ 59,100.00
104	Landscape Planting - Herbicide	LS	1	$11,592.00	$11,592.00
105	Landscape Planting - Topsoil	CY	6,735	$44.00	$296,340.00
106	Landscape Planting – Allowance for unforeseen repairs to the planting and turf areas	LS	1	$ 38,087.00	$ 38,087.00
107	Landscape Maintenance Period	LS	1	$31,324.00	$31,324.00
108	As-Builts / Record Drawings	LS	1	$5,803.00	$5,803.00
109	SWPPP	LS	1	$4,643.00	$4,643.00

Total Base Bid Price in Digits: $6,878,021.90

Total Base Bid Price in Words: Six million eight hundred seventy-eight thousand twenty-one dollars and ninety cents

Additive Alternate #1- Pre-Engineered Metal Storage Building

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Demolition of Existing Storage Building	LS	1	$28,400.00	$28,400.00
2	Grading and Earthwork	LS	1	$30,690.00	$30,690.00

3	Concrete Pavement	SF	1,000	$30.91	$30,910.00
4	Construction BMPs / Erosion Control	LS	1	$13,906.00	$13,906.00
5	Unforeseen repairs to the existing mechanical yard noted to remain	LS	1	$ 29,015.00	$ 29,015.00
6	Pre-Engineered Metal Storage Building – Includes foundation, slab-on-grade, utility connections, electrical, and all appurtenances necessary to construct per plans	LS	1	$ 304,646.00	$ 304,646.00
7	Hardscape – 3" Depth Decomposed Granite Pavement	SF	265	$ 6.00	$ 1,590.00

Total Add Alt. #1 Price in Digits: $ 439,157.00

Total Add Alt. #1 Price in Words Four hundred thirty-nine thousand one hundred fifty-seven dollars and zero cents

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☑ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

_ DOLLARS ($ 10% Bid Bond)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: President Date: 03-17-26

Signature: _____ Title: _____ Date: _

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **1**

SUBJECT: **APPROVE CONSTRUCTION AGREEMENT WITH COAST CONSTRUCTION GROUP FOR PN 854, PALMDALE PLAYHOUSE ADA PROJECT, FOR A TOTAL NOT TO EXCEED AMOUNT OF $264,373.80 FOR A TERM OF 50 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Construction Agreement No. A-9630 with Coast Construction Group for PN 854, Palmdale Playhouse ADA Project (Project), for a total not to exceed amount of $264,373.80, which includes a contract amount of $229,890.26, plus a 15% contingency amount of $34,483.54, for a term of 50 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9630 with Coast Construction Group, including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 15% contingency amount approved by the Council.

BACKGROUND

The Palmdale Playhouse was repurposed from a 1940s school auditorium and has become a key facility, focusing on providing live theater, music, and community arts education since its opening in 1994.

Reasonable modifications are needed to ensure equal access for individuals who require ADA accommodation. By implementing enhanced ADA access routes, restroom

access, and seating functionality, these modifications directly address the identified needs for improved mobility, safety, and independence.

The project's scope of work is organized into phases to ensure that essential ADA upgrades are addressed first in key areas of the facility. The focus is on improving accessibility from the parking lot, through exit doors, restrooms, concessions, and the stage lift.

The primary goals of the project are to:

- Add ADA seating and related access improvements that support safe movement throughout the building;
- Remove and replace the exit ramp leading to 10th Street; and,
- Upgrade and install required ADA-related signage.

The duration to complete all site improvements and installation for the full project scope is forty-five (45) working days from the date the City issues the Notice to Proceed.

DISCUSSION

The City released an Invitation for Bid (IFB) for construction bids on March 2, 2026, through the electronic platform PlanetBids and was published in the Antelope Valley Press. A total of two (2) bids were received by the deadline, April 2, 2026.

Bidder	Location	Amount
1. Coast Construction Group	Lancaster, CA	$229,890.26
2. CALTEC Corp.	Irvine, CA	$365,000.00

Coast Construction Group submitted the lowest responsive and responsible bid. Staff recommend that the City Council award the contract for PN 854, Palmdale Playhouse ADA Project, to Coast Construction Group.

FISCAL IMPACT

$264,373.80; Sufficient funds are budgeted and available. This project is funded using Prop A funds.

STRATEGIC PLAN

Goal IV: Maintain a desirable community where everyone wants to live, work, and play.

D. Develop and maintain diverse programs and events that inspire growth, pride and lifelong learning.

Prepared by:	Leonardo Torres, P.E. Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9630 with Coast Construction Group
Proposal
Fee Schedule
Project Map

AGREEMENT NO. A- 9630
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND COAST CONSTRUCTION GROUP

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and COAST CONSTRUCTION GROUP, a CONTRACTOR ("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:

PN 854, Palmdale Playhouse Accessibility Improvements Project

CONTRACTOR to install/upgrade accessibility routes from the parking lot, through exit doors, to concessions, restrooms, and the stage lift.

a) Add ADA seating and related access improvements;
b) Remove and replace the exit ramp leading to 10th Street East; and,
c) Upgrade and install required ADA-related signage.

The duration to complete all site improvements and installation for the full project scope is FIFTY (50) working days from the date of the CITY issued Notice to Proceed.

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.

Should it apply, the Successor Community Workforce Agreement policies and procedures must be followed as outlined in the attached agreement.

3 Compensation

City shall pay Contractor the total, all-inclusive, NOT-TO-EXCEED amount of Twho Hundred and Twenty-Nine Thousand, Eight Hundred and Ninety-One Dollars ($229891.00) 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 FIFTY (50) 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 A, B & C10 Contractor's License **or Specialty Contractor License consisting of Class licensee** to perform the required work ("Work"). Contractor's DIR registration number is 1001077812. Contractor hereby certifies that it holds the required license(s).

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.

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 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 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 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
- $4,000,000.00 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 --
  $1,000,000.00 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

11.1.5 Professional Liability (Errors & Omissions)*
- $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 and/or professional/errors & omissions 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 OWNERSHIP AND DELIVERY OF WORK PRODUCT

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONTRACTOR or Contractor's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY.

All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONTRACTOR shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

23 OWNERSHIP OF INTELLECTUAL PROPERTY

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONTRACTOR hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONTRACTOR consents to the use of CONTRACTOR's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONTRACTOR agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONTRACTOR waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

24 Non-discrimination and Equal Employment Opportunity

24.1 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.

25 SB 1383 COMPLIANCE

CONTRACTOR shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

26 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.

27 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.

28 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.

29 HEALTH AND SAFETY PROVISIONS

A. CONTRACTOR and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONTRACTOR and subcontractors shall abide by the most restrictive mandate.

B. Costs associated with adhering to health and safety mandates are the responsibility of the CONTRACTOR. CONTRACTOR is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

30 NOTIFICATION AND ACCESS REVOCATION

The CONTRACTOR shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONTRACTOR to be in breach of contract. Notice shall include the individual’s name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

31 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party (“Force Majeure Event”). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.

The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

32 Successors and Assigns

The terms and conditions of this Contract shall be binding on the successors and assigns of the parties to this Contract.

33 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.

34 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.

35 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

SIGNATURE AREA

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

APPROVE AS TO FORM:

SIGNATURE AREA

Alexandra Severino
City Attorney

ATTEST:

SIGNATURE AREA

Rochelle Scott
City Clerk

COAST CONSTRUCTION GROUP

SIGNATURE AREA

Kathy Demoors Date
CFO

ADDRESS FOR NOTICE:
COAST CONSTRUCTION GROUP
328 N. Olympic Avenue
Arlington, WA 98223

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)

BID COVER FORM

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

Bidder acknowledges receipt of all addenda, as follows:

Addendum No. 1 Date: 03/30/2026
Addendum No. _____ Date: _____
Addendum No. _____ Date: _____
Addendum No. _____ Date: _____

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check, or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses the California Contractor's License specified below.

License No: 1071417

Class: A, B & C10

Expiration: 11/30/26

Bidder's Name: Coast Construction Group

DIR Registration No: 1001077812

*UEI No: 792397601

*Only required for federally funded projects

Signature: Kathy Demoss Title: CFO Date: 3/19/26

Signature: _____ Title: _____ Date: _____

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Surveying & Construction Staking	LS	1	$ 3,271.12	$ 3,271.12
2	BMPs / SWPPP Best Management Practices	LS	1	$ 371.72	$371.72
3	Temporary Security Fencing (rental/installation)	LS	1	$ 4,248.21	$ 4,248.21
4	As-Builts, O&M Manuals, Closeout	LS	1	$ 3,851.71	$ 3,851.71
5	Selective Demo – remove existing ramp/handrails/fence, haul-off	SF	166	$ 44.15	$ 7,328.90
6	Selective Demo – remove fixed theater chairs (incl. legal disposal)	EA	26	$ 287.57	$ 7,476.82
7	CIP Concrete Ramp & Landings (4" over 6" Class 2 AB; incl. forms/rebar/finish)	SF	211	$ 116.24	$24,526.64
8	Concrete Curb / Edge (4" min height)	LF	120	$ 51.92	$ 6230.40
9	Expansion Joints (pre-molded + sealant)	LF	40	$ 18.59	$ 743.60
10	Steel Guardrails & Handrails (both ttsides of ramp)	LF	105	$ 275.39	$ 28,915.95
11	ADS FireSlide™ 45-min Sliding Fire Door (3' x 7') – furnished & installed (allowance)	EA	2	$ 9,912.50	$ 19,825.00
12	Patching / Painting of disturbed surfaces (allowance)	LS	1	$ 9,516.00	$ 9,516.00
13	High-Performance Traffic Striping – accessible stalls/aisles	LS	1	$ 8,659.28	$ 8,659.28
14	Flooring patch/repair at removed theater seats (anchors, infill, carpet/concrete)	LS	1	$ 4,103.77	$ 4,103.77
15	Tactile/Code Signage (Exit, Route, Not an Exit, Not Accessible Path)	EA	13	$ 273.19	$ 3,551.47
16	In-auditorium signage/marking updates for wheelchair & companion locations	LS	1	$ 2,800.99	$ 2,800.99
17	Relocate and reinstall theater chairs for companion seating (incl. anchors)	EA	6	$ 886.46	$ 5318.76
18	Clearing, Grubbing, Rough Grading & Compaction (95% RC)	LS	1	$ 7,151.16	$ 7,151.16
19	Modify Existing Chain-Link Fence	LF	30	$ 329.71	$ 9,891.30
20	New 6' Chain-Link Fence (match existing)	LF	40	$ 354.44	$ 14,177.60
21	Landscape/DG Restoration (allowance)	LS	1	$7,500.00	$ 7,500.00
22	Construction Water (fees, meter, trucking) – allowance	LS	1	$ 708.04	$ 708.04

23	Low-Voltage & Commissioning (24V power supply, LV conduit/wire, backboxes, testing), 2 doors and Low-Voltage & Commissioning (24V power supply, LV conduit/wire, backboxes, testing), 2 doors	LS	1	$ 13,663.67	13,663.67
24	Type 304 stainless steel rails & posts, #4 brushed finish, SS anchors/fasteners	LF	105	$ 341.03	35,808.15

Total Bid Price in Digits: $229,890.26

Total Bid Price in Words: Two Hundred Twenty Nine Thousand Eight Hundred Ninety Dollars and Twenty-Six Cents.

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☑ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

_____ DOLLARS ($)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: Kathy Demoss Title: CFO Date: 3/19/26

Signature: _____ Title: _____ Date: _____

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Palmdale ("Public Agency"), has issued an Invitation for Bids for the Work described as follows: PN 854 - PLAYHOUSE ACCESSIBILITY IMPROVEMENTS PROJECT.

WHEREAS Coast Construction Group (530 West Avenue L, Lancaster, CA 93534)
Name and Address of Bidder

("Principal"), desires to submit a Bid to Public Agency for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and

Nationwide Mutual Insurance Company (1100 Locust Street, Department 2006, Des Moines, IA 50391)
Name and Address of Surety

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the Public Agency in the penal sum of:

Ten percent of total amount bid DOLLARS ($ 10%)

being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the Public Agency and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the Public Agency in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

CONTINUES ON NEXT PAGE

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: March 19th, 2026

"Principal"	"Surety"
Coast Construction Group	Nationwide Mutual Insurance Company
By: Kathy Demoss	By:
Its: CFO	Its: Attorney-in-fact
By:	By:
Its:	Its:

Note: Evidence of the authority of any person signing as attorney-in-fact must be attached. Contractor's Bonding Company to attach appropriate Notary documents and Power of Attorney

Electronic Submittal of Bid Proposals: The bid security shall be submitted as outlined below:

Cash, Cashiers/Certified Check: If Bid Security is in the form of cash or cashiers/certified check, the cash proceeds or cashiers/certified check must be submitted in a sealed envelope with the exterior **prominently** marked with: "ATTENTION PROJECT MANAGER"; the Bidder's name, Project Name and Bid/Solicitation Number to the Project Manager before the latest date/time for submitting Bid Proposals. Bid Security received thereafter may result in rejection of the Bidder's Bid Proposal for nonresponsiveness.

Electronic Bid Bond: When submitting a bid electronically, the Bid Security in the form of a Bid Bond must be submitted electronically through Surety 2000 in the form and content included with the Contract Documents and issuance of the electronic Bid Bond is verified through Surety2000 (http://www.surety2000.com/). Bidders submitting an electronic Bid Bond are solely responsible for completing Surety2000 registration requirements and payment of Surety2000 fees and charges. The City is not responsible to Bidders for: (i) Surety2000 acts or omissions; (ii) the complete/timely verification of electronically issued Bid Bonds; or (iii) any other errors in the electronically issued/verified Bid Bond.

WASHINGTON NOTARY ACKNOWLEDGEMENT
(INDIVIDUAL)

State of Washington
County of Whatcom

I certify that I know or have satisfactory evidence that Mallory Visser [Name of Person] is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: March 19th, 2026

(Seal or stamp)

CARRIE C BECK
appointment expires September 25, 2027
NOTARY PUBLIC
COMM # 23035751
STATE OF WASHINGTON

Signature

Carrie Beck - Notary Public
Title

My appointment expires: 9/25/27

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Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

Mallory Kay Visser

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

Five Million and No/100 Dollars $5,000,000

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 20th day of August, 2021.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

NATIONWIDE MUTUAL INSURANCE COMPANY SEAL SURETY USE ONLY COLUMBUS, OH

STATE OF NEW YORK COUNTY OF NEW YORK: ss
On this 20th day of August, 2021, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Stephanie Rubino McArthur
Notary Public, State of New York
No. 02MC6270117
Qualified in New York County
Commission Expires October 19, 2024

Notary Public
My Commission Expires
October 19, 2024

CERTIFICATE

I, Laura B. Guy, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 19th day of March, 2026.

Assistant Secretary

BDJ 1(08-21)00

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of ~~California~~ Washington)
County of Snohomish)

On March 24, 2026 before me, Michelle Caron, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Kathy Demoors
Name(s) of Signer(s)

,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

MICHELLE CARON
Notary Public
State of Washington
Commission # 62436
My Comm. Expires Oct 6, 2027

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michelle Caron
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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QUESTIONNAIRE

Fill out all the following information. Attach additional sheets if necessary.

(1) Bidder's Name: Coast Construction Group

(2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.
Coast Developement Co LLC

(3) Business Address: 328 N Olympic Ave Arlington, WA 98223

(4) Telephone: (360) 474-0600

(5) Type of Firm (Individual, Partnership, LLC, or Corporation): LLC

(6) Corporation organized under the laws of the State of: Washington

(7) California State Contractors License Number & Class: 1071417

Original Date Issued: 11/30/2020 Expiration Date: 11/30/26

(8) DIR Contractor Registration Number: 1001077812

(9) Name and title of the person(s) who inspected the Project Site for your firm:
Steven Navarro, California Division Manager

(10) Name and title of the person(s) who attended the mandatory pre-bid meeting for your firm, including the mandatory site visit (if any):
Steven Navarro, California Division Manager

(11) Number of years' experience the company has as a contractor in construction work:
60 years

(12) Names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint venturers, and company or corporate officers having a principal interest in this bid:

Trevor Gaskin, CEO/President, 328 N Olympic Ave Arlington WA 98223, 425.599.0288 //
Angela Gaskin, Vice President, 328 N Olympic Ave Arlington, WA. 98223, 425.737.6800 //
Harold Stevens, Member, 328 N Olympic Ave Arlington WA 98223, 661.810.5169 //
Dare Gaskin, Vice President, 328 N Olympic Ave Arlington WA 98223, 360.722.2315 //
Jake Legler, Vice President, 328 N Olympic Ave Arlington WA 98223, 425.420.6997 //
Kathy Demoors, CFO/Controller, 328 N Olympic Ave Arlington WA 98223, 425.224.0068

(13) Current and prior D.B.A's, aliases, and fictitious business names for any principal having interest in this bid:

Coast Construction Group

(14) Dates of any voluntary or involuntary bankruptcy judgements against any principal having an interest in this bid:

N/A

(15) For all arbitrations, lawsuits, settlements, and the link (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses, and telephone numbers of contact persons for the parties:

N/A

Briefly summarize the parties' claims and defenses:

N/A

b. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

(16) Has the company or any principal having an interest in this Bid ever had a contract terminated by the Owner or Agency? If yes, explain.

No

(17) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

No

(18) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

No

(19) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

a.	By you against the Owner?	Circle one:	Yes	**No**
b.	By the Owner against you?	Circle one:	Yes	**No**
c.	By any outside agency or individual for labor compliance?	Circle one:	Yes	**No**
d.	By subcontractors?	Circle one:	Yes	**No**
e.	Are any of these claims or actions unresolved or outstanding?	Circle one:	Yes	**No**

If your answer is "yes" to any part or parts of this question, please explain:

N/A

(20) List the last three (3) projects you have worked on or are currently working on for the City of Palmdale:

Security Access Upgrades

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

Company: Coast Construction Group

Signature: Kathy Demoss

Title: CFO

Date: 3/19/26

Signature:

Title:

Date:

REFERENCES FORM

For all public agency projects more than $XXX,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1

Name/Number: Rosamond ES Modernization of Afterschool Building

Project Description: Modernization and HVAC Replacement

Approximate Construction Dates: From: November 2024 To: December 2025

Agency Name: Southern Kern Unified School District

Contact Person: Joselito Lacson Telephone: (661) 949-0771

Address: 1035 W Lancaster Blvd, Lancaster, Ca. 93534

Original Contract Amount: $3,183,129.47 Final Contract Amount: $ 3,499,866.87

If final amount is different from original amount, please explain (change orders, extra work, etc.)

District issued and awarded change orders revised contract to $3,499,866.87.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 2

Name/Number: Locker Room Upgrades @ Dos Caminos Dual Immersion School

Project Description: Boys and girls locker room upgrades.

Approximate Construction Dates: From: February 2024 To: February 2025

Agency Name: Palmdale School District

Contact Person: Jim Lodgson with HPLE Telephone: (626) 219-1658

Address: 117 E Colorado Blvd, Suite 600, Pasadena, Ca. 91105

Original Contract Amount: $ 1,874,416.89 Final Contract Amount: $1,932,115.23

If final amount is different from original amount, please explain (change orders, extra work, etc.)

District issued and awarded change orders revised contract to $1,932,115.23.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 3

Name/Number: Sunnydale Walkway Cover Repairs

Project Description: Repair existing walkway cover at elementary school

Approximate Construction Dates: From: March 2024 To: June 2025

Agency Name: Lancaster School District

Contact Person: Matt Buchanan with Flewelling & Moody Telephone: (661) 949-0771

Address: 1035 W Lancaster Blvd, Lancaster, Ca. 93534

Original Contract Amount: $2,246,555.37 Final Contract Amount: $ 2,277,238.46

If final amount is different from original amount, please explain (change orders, extra work, etc.)

District issued and awarded change orders revised contract to $2,277,238.46.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 4

Name/Number: Locker Room HVAC Upgrades at New Vista Middle School

Project Description: New HVAC in campus locker rooms.

Approximate Construction Dates: From: June 2024 To: April 2025

Agency Name: Lancaster School District

Contact Person: Matt Buchanan with Flewelling & Moody Telephone: (661) 949-0771

Address: 1035 W Lancaster Blvd, Lancaster, Ca. 93534

Original Contract Amount: $786,795.00 Final Contract Amount: $822,246.86

If final amount is different from original amount, please explain (change orders, extra work, etc.)

District issued and awarded change orders revised contract to $822,246.83

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 5

Name/Number: Locker Room HVAC Upgrades at Piute Middle School

Project Description: New HVAC in campus locker rooms

Approximate Construction Dates: From: March 2024 To: February 2025

Agency Name: Lancaster School District

Contact Person: Matt Buchanan with Flewelling & Moody Telephone: (661) 949-0771

Address: 1035 W Lancaster Blvd, Lancaster, Ca. 93534

Original Contract Amount: $681,254.00 Final Contract Amount: $687,538.81

If final amount is different from original amount, please explain (change orders, extra work, etc.)

District issued and awarded change orders revised contract to $687,538.81

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

RESUME

Attach to this Bid the experience resume of the person who will be designated as the General Construction Superintendent or on-site Construction Manager for the Project.

Kevin Luke

Lancaster, CA



CONSTRUCTION SUPERINTENDENT | SENIOR FIELD LEADERSHIP

Seasoned construction professional with over 25 years of hands-on and supervisory experience across commercial, educational, and institutional projects. Recognized for maintaining the highest standards of safety, quality, and schedule performance while fostering a positive jobsite culture that drives teamwork and productivity. Adept at managing subcontractors, logistics, and materials procurement to ensure efficient, on-budget project execution.

CORE COMPETENCIES

- Field Supervision & Scheduling
- Subcontractor Coordination
- Site Safety & Compliance (OSHA)
- Quality Control & Inspection
- Construction Sequencing & Logistics
- Cost & Resource Management
- Client & Owner Relations
- Mentoring & Leadership Development

PROFESSIONAL EXPERIENCE

• COAST CONSTRUCTION GROUP

• Senior Superintendent | 2006– Present

- Oversee all phases of construction, from mobilization to closeout, ensuring adherence to plans, specifications, and safety standards.
- Coordinate with architects, engineers, and project managers to maintain project
- milestones and deliver quality results.
- Supervise multiple superintendents and field crews, providing leadership, mentorship, and accountability across simultaneous projects.
- Manage jobsite logistics, materials, equipment, and manpower to maintain productivity and minimize downtime.
- Maintain positive relationships with clients, inspectors, and subcontractors, fostering cooperation and problem-solving on complex project sites.
- Lead safety meetings and implement job hazard analyses to ensure compliance and
- promote an injury-free workplace.

DESIGNATION OF SUBCONTRACTORS
[Public Contract Code Section 4104]

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or $10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors. Contractor is required to fill out this table fully to be in compliance with the bid.

Name under which Subcontractor is licensed and registered	CSLB License Number(s) & Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)1
Genuine Concrete	967779	1000014582	43824 20th St. West #8994 Lancaster CA 93534	Concrete Grading Demo	16.75%
ABC Resources	538680	1000001608	1527 W State Street Ontario CA 91762-4034	Striping	4.28%
SAV-ON Fence	1078915	1000807287	PO Box 2707 Lancaster CA 93534	Fences & Gates	11.90%
California Fence	898483	1000007315	41918 Firenze Street Lancaster CA 93536	Stainless Steel/Rails	15.44%
Plump Engineering	LS10059	1000031784	914 E. Katella Avenue Anaheim, CA 92805	Survey/Staking	1.62%
Agro-Tech	608361	1000013978	4620 Quartz Hill Road, Quartz Hill CA 93536	Landscaping Repair	0.89%

[1]The percentage of the total Bid shall represent the "portion of work" for the purposed of Public Contract Code Section 4104(b).

INDUSTRIAL SAFETY RECORD FORM

Bidder's Name: Coast Construction Group

	Current Year of Record	2024	2023	2022	2021	2020	Total
Number of contracts	38	63	111	121	115	43	491
Total dollar amount of contracts[1]	$5,457.22	$67,153.37	$13,616.64	$43,359.39	$22,373.26	$11,004.95	$162,964.83
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	0	2	0	0	0	0	2
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	0	0	0	0

[1]In thousands of dollars

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: Kathy Demoss Title: CFO Date: 3/19/26

Signature: _____ Title: _____ Date: _____

BIDDER'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ LIABILITY INSURANCE REQUIREMENTS OF SECTION 5-4.2 OF THE GENERAL PROVISIONS AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE BIDDER TO OBTAIN THE REQUIRED LIABILITY INSURANCE AFTER THE AWARD OF CONTRACT MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the Liability Insurance as required under Section 5-4.2 of the General Provisions.

Signature: Kathy Demoss Title: CFO Date: 3/19/26

Signature: _____ Title: _____ Date: _____

NONCOLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the CFO (*Title*) of Coast Construction Group (*Firm*), the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 3/19/26 (*Date*), at Arlington, Washington (*City, State*)

Signature: Kathy Demoors

Printed Name: Kathy Demoors

Date: 3/19/26

BIDDER'S CERTIFICATE OF NON-DISCRIMINATION

Each bidder must submit with the Proposal a fully executed Bidder's Certificate of Non-Discrimination by Contractors. Bids will not be considered unless accompanied by the completed Certificate.

As a supplier of labor, materials, supplies, goods or services to the Owner, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

The undersigned agrees specifically:

1. To establish and observe employment policies which affirmatively promote opportunities for minority persons at all job levels.

2. To communicate such policies to all persons concerned, including all firm employees, outside recruiting services, especially those serving minority communities, and the minority communities at large.

3. To take affirmative steps to hire minority employees within the firm.

Coast Construction Group
Firm Name of Bidder

By: Kathy Demoss
Signature of Authorized Officer

CFO
Title of Officer

Date: 3/19/26

Please include any additional information available regarding equal opportunity employment programs now in effect within your firm:

BIDDER'S ACKNOWLEDGING PENAL AND CIVIL PENALTIES CONCERNING THE CONTRACTORS' LICENSING LAWS

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code Section 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.
(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars ($4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both. In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, the price of the contract for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13 inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposed of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code Section 20103.5

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of prequalification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

License No: 1071417

Class: A, B & C10

Expiration: 11/30/26

Coast Construction Group
Firm Name of Bidder

By: Kathy Demoss
Signature of Authorized Officer

CFO
Title of Officer

Date: 3/19/26

CITY OF PALMDALE
PN 854 PLAYHOUSE ACCESSIBILITY IMPROVEMENTS PROJECT
MARCH 30, 2026
ADDENDUM NO. 1

This Addendum No. 1 forms a part of the Bidding and Contract Documents and modifies the Plans and Specifications for the City of Palmdale's PN 854 Playhouse Accessibility Improvements Project. Bidders must acknowledge receipt of this Addendum No. 1 on PlanetBids and on the Bid Cover Form in the bid package.

1. This Addendum No. 1 modifies the Bidding and Contract Documents in the following manner:
    a) Provides the document titled *Special Provisions:* with updated liquidated damages of $500.

2. This Addendum No. 1 modifies the Bid working days to 50 working days.

Question on Email:

3. Question: Can you please confirm, is there a wheelchair lift that is to be installed for this project?
   Answer: No, there is no wheelchair lift installation for this project.

Please note the bid submittal date and time has not changed.

Jonathan Wu, P.E.
Deputy Director of Public Works

3/30/26
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: Kathy Demoors

Name: Kathy Demoors

Title: CFO

Company: Coast Construction Group

Date: 3-31-26

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Surveying & Construction Staking	LS	1	$ 3,271.12	$ 3,271.12
2	BMPs / SWPPP Best Management Practices	LS	1	$ 371.72	$371.72
3	Temporary Security Fencing (rental/installation)	LS	1	$ 4,248.21	$ 4,248.21
4	As-Builts, O&M Manuals, Closeout	LS	1	$ 3,851.71	$ 3,851.71
5	Selective Demo – remove existing ramp/handrails/fence, haul-off	SF	166	$ 44.15	$ 7,328.90
6	Selective Demo – remove fixed theater chairs (incl. legal disposal)	EA	26	$ 287.57	$ 7,476.82
7	CIP Concrete Ramp & Landings (4" over 6" Class 2 AB; incl. forms/rebar/finish)	SF	211	$ 116.24	$24,526.64
8	Concrete Curb / Edge (4" min height)	LF	120	$ 51.92	$ 6230.40
9	Expansion Joints (pre-molded + sealant)	LF	40	$ 18.59	$ 743.60
10	Steel Guardrails & Handrails (both ttsides of ramp)	LF	105	$ 275.39	$ 28,915.95
11	ADS FireSlide™ 45-min Sliding Fire Door (3' x 7') – furnished & installed (allowance)	EA	2	$ 9,912.50	$ 19,825.00
12	Patching / Painting of disturbed surfaces (allowance)	LS	1	$ 9,516.00	$ 9,516.00
13	High-Performance Traffic Striping – accessible stalls/aisles	LS	1	$ 8,659.28	$ 8,659.28
14	Flooring patch/repair at removed theater seats (anchors, infill, carpet/concrete)	LS	1	$ 4,103.77	$ 4,103.77
15	Tactile/Code Signage (Exit, Route, Not an Exit, Not Accessible Path)	EA	13	$ 273.19	$ 3,551.47
16	In-auditorium signage/marking updates for wheelchair & companion locations	LS	1	$ 2,800.99	$ 2,800.99
17	Relocate and reinstall theater chairs for companion seating (incl. anchors)	EA	6	$ 886.46	$ 5318.76
18	Clearing, Grubbing, Rough Grading & Compaction (95% RC)	LS	1	$ 7,151.16	$ 7,151.16
19	Modify Existing Chain-Link Fence	LF	30	$ 329.71	$ 9,891.30
20	New 6' Chain-Link Fence (match existing)	LF	40	$ 354.44	$ 14,177.60
21	Landscape/DG Restoration (allowance)	LS	1	$7,500.00	$ 7,500.00
22	Construction Water (fees, meter, trucking) – allowance	LS	1	$ 708.04	$ 708.04

23	Low-Voltage & Commissioning (24V power supply, LV conduit/wire, backboxes, testing), 2 doors and Low-Voltage & Commissioning (24V power supply, LV conduit/wire, backboxes, testing), 2 doors	LS	1	$ 13,663.67	13,663.67
24	Type 304 stainless steel rails & posts, #4 brushed finish, SS anchors/fasteners	LF	105	$ 341.03	35,808.15

Total Bid Price in Digits: $229,890.26

Total Bid Price in Words: Two Hundred Twenty Nine Thousand Eight Hundred Ninety Dollars and Twenty-Six Cents.

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☑ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

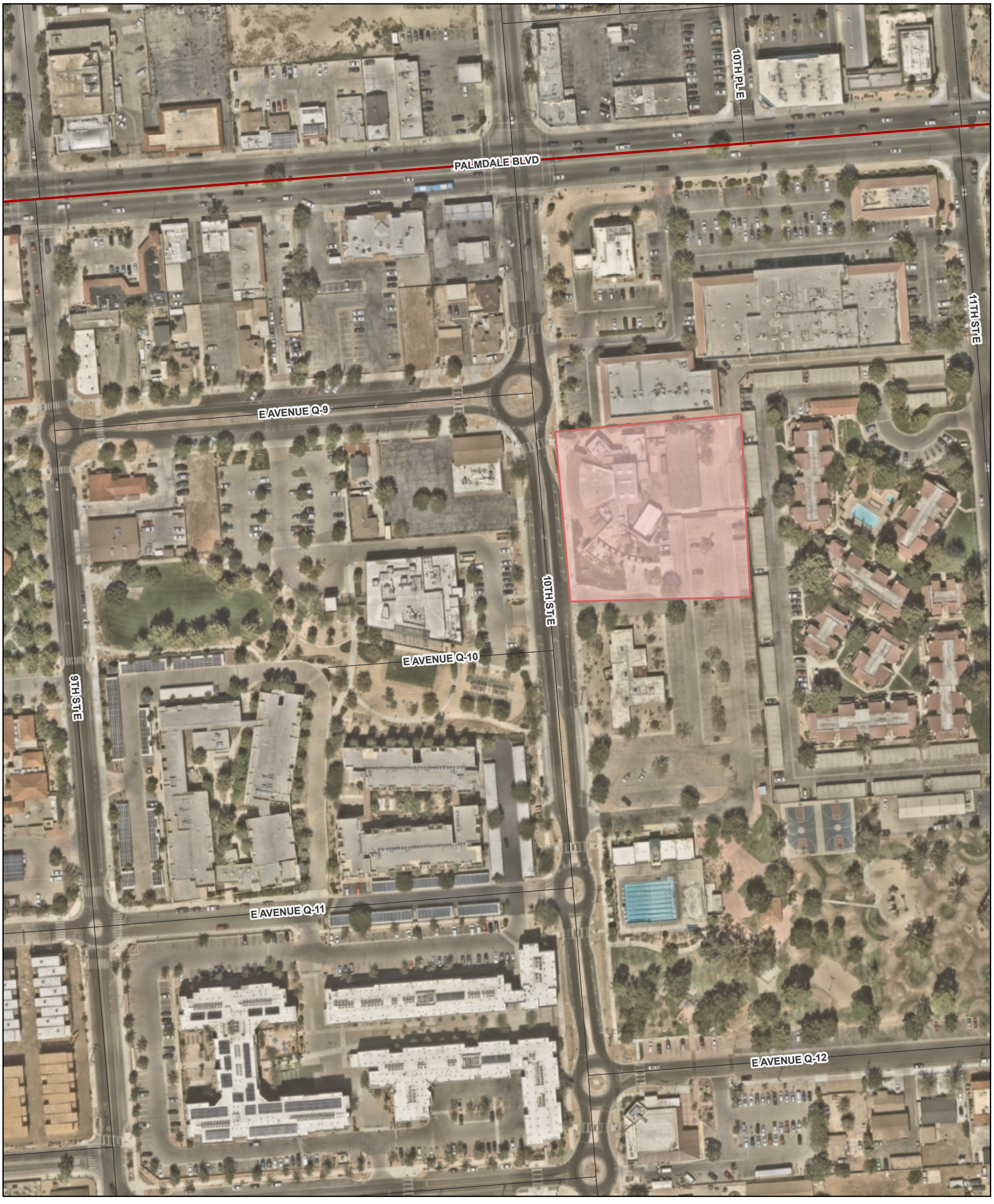
_____ DOLLARS ($ _____)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: Kathy Demoss Title: CFO Date: 3/19/26

Signature: _____ Title: _____ Date: _____

Project Site Map



Legend

Highway

Project Limits

1:2,000

0 0.02 0.04 0.08 mi

0 0.03 0.07 0.13 km

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City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **1**

SUBJECT: **APPROVE AGREEMENT WITH PARAGON PARTNERS CONSULTANTS, INC., FOR RIGHT-OF-WAY ENGINEERING SERVICES FOR PN 914, RANCHO VISTA BLVD. GRADE SEPARATION PROJECT, FOR A TOTAL NOT TO EXCEED AMOUNT OF $691,006 FOR A TERM OF TWO YEARS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-9837 with Paragon Partners Consultants, Inc. (Paragon) for Right-of-Way Engineering Services for PN 914, Rancho Vista Blvd. Grade Separation Project (Project), for a total not to exceed amount of $691,006, which includes a contract amount of $628,187, plus a 10% contingency amount of $62,819 for a term of two years from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9837 with Paragon Partners Consultants, Inc., including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 10% contingency amount approved by the Council.

BACKGROUND

The Project proposes infrastructure upgrades to enhance safety, reduce traffic congestion, and improve multimodal flow for vehicles, pedestrians, and cyclists. Key improvements include:

Grade Separation: Construct a bridge over Sierra Highway and the Metrolink/Union Pacific (UPRR) tracks.

Multimodal and Infrastructure Improvements: Widen Rancho Vista Blvd. from four to six lanes between Fairway Drive and 10th Street East; add a Class 2 bike facility; construct Americans with Disabilities Act (ADA)—compliant sidewalks; install raised medians; and upgrade drainage, lighting, and landscaping.

Utility Improvements: Relocate existing utilities and install new signing and striping.

The Project's final design is 95% complete, but was paused due to budget constraints. With the recent award of RAISE Grant Funding and Federal Earmark, the Project was re-initiated and is moving forward with Southern California Edison (SCE) utility poles relocation, final plan reviews by UPRR and Metrolink, and right-of-way engineering for necessary parcel acquisitions and temporary construction easements.

DISCUSSION

On December 18, 2025, a Request for Proposals (RFP) for right-of-way engineering services was publicly advertised via the PlanetBids electronic platform. The right-of-way engineering services requested include, but are not limited to, public outreach services, appraisal and valuation coordination, and utility coordination.

On February 19, 2026, the City received four (4) proposals. Consistent with the RFP procurement process, the evaluations prioritized the proposer's project team experience and qualifications, project understanding, technical approach, and public outreach experience. The table below summarizes the weighted evaluation criteria used in this process:

Criteria	Available Points
Expertise, Experience, and Training Plus Prior Contracting History	30
Project Approach	30
Public Understanding	20
Public Engagement	15
Compliance with RFP	5
Total	**100**

Each evaluator scored the proposals independently, and the firms were ranked as follows:

Rank	Vendor	Location	Proposal Fee
1	Paragon	Cypress, CA	$623,187.00
2	Epic Land Solutions, Inc.	Corona, CA	$1,152,834.10
3	Hamner Jewell & Associates	San Luis Obispo, CA	No Total Fee
4	Engineering Resources of Southern California, Inc	Redlands, CA	$1,054,980.60

Paragon's team has a proven track record in delivering similar grade separation projects. Their expertise includes extensive coordination with key agencies and familiarity with federal and state right-of-way acquisition, certification, and relocation procedures.

Paragon provided the most comprehensive scope of services and was the only firm to propose performing a Phase I Environmental Site Assessment for the two full acquisition parcels as an optional service for $5,000. This optional task is necessary to fully assess the existing soil conditions and presence of hazardous materials in the two parcels that will be full acquisitions; therefore, staff recommend that this task be included in the scope of services, increasing the total contract amount to $628,187.

The top two (2) consulting firms were each invited for interviews. Based on interviews, qualifications, and relevant experience, the staff recommends that the City Council approve a professional services agreement with Paragon for right-of-way engineering services, with a total not to exceed amount of $691,006, including a 10% contingency.

FISCAL IMPACT

$691,006; Sufficient funds are budgeted and available for Fiscal Year 2025-26 utilizing Proposition C Fund.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by: Salvador Mendez, City Manager
Approved as to form: Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9837 with Paragon Partners Consultants, Inc.
Proposal
Fee Schedule
Location Map

AGREEMENT NO. A-9837
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND PARAGON PARTNERS CONSULTANTS, INC. (PARAGON)

THIS CONTRACT FOR CONSULTANT 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 PARAGON PARTNERS CONSULTANTS, INC. (PARAGON) (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

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:

Comprehensive Right-of-Way (ROW) Engineering Services for CITY Project No. PN 914 Rancho Vista Blvd. (RVB) Grade Separation Project.

Task 1 - Project Coordination and Management
Task 1a - Public Outreach: prepare and conduct three (3) community outreach meetings and attend one (1) City Council Meeting.
Task 2 - Right of Way Mapping and Exhibits
Task 3 - Preliminary Title Reports and Property Research
Task 4 - Appraisal and Valuation Coordination
Task 5 - Acquisition and Negotiation Support
Task 6 - Relocation Assistance Implementation (if applicable)
Task 7 - Utility Coordination and Railroad Coordination
Task 8 - Caltrans ROW Certification
Task 9 - Phase I Environmental Site Assessment (2 parcels)

Additional services as necessary:
- Eminent Domain Coordination
- Property Management
- Demolition and Clearance Services

CONSULTANT's complete Proposal attached as Exhibit "A".

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:

Mark Mendoza, Principal-in-Charge; Colin Valles, Project Manager

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.

4 CONTRACT TERM

The term of this contract is TWO (2) YEARS, commencing on the effective date, with CITY reserving the option to extend the agreement for ONE (1) additional terms of one year each.

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, and CITY shall not be responsible for discovering deficiencies therein. 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 SIX HUNDRED and TWENTY-EIGHT THOUSAND, ONE HUNDRED and EIGHTY-SEVEN dollars ($628187), payable as follows:

TASK 1 - Project Coordination and Management including Public Outreach = $30,340
TASK 2 - Right of Way Mapping and Exhibits = $187,110
TASK 3 - Preliminary Title Reports and Property Research = $35,325
TASK 4 - Appraisal and Valuation Coordination = $160,000
TASK 5 - Acquisition and Negotiation Support = $87,400
TASK 6 - Relocation Assistance (if applicable) = $52,615
TASK 7 - Utility Coordination = $52,867
TASK 8 - ROW Certification = $13,730
TASK 9 - Phase I Environmental Site Assessments (2 parcels) = $5,000

Additional services if required:
- Business Goodwill Appraisals = $60,500

CONSULTANT Fee Schedule attached as Exhibit “B”.

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 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 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, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, CONSULTANT and, as applicable, any contractors or 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. 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

- $2,000,000.00 limit on a per occurrence basis
- $4,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

- $2,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.2 All of CONSULTANT'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.

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. Within five (5) days of written request from CITY, CONSULTANT shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

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, deductibles 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 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 CONSULTANT 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 CONSULTANT shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONSULTANT's sole risk. CONSULTANT'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 AND DELIVERY OF WORK PRODUCT:

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONSULTANT or Consultant's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY. All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONSULTANT shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

16 OWNERSHIP OF INTELLECTUAL PROPERTY:

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONSULTANT hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONSULTANT consents to the use of CONSULTANT's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONSULTANT agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONSULTANT waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

17 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

17.1 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.

17.2 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.

18 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

18.1 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.

19 SB 1383 COMPLIANCE

CONSULTANT shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

20 FINANCIAL INTEREST CERTIFICATION

20.1 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.

20.2 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.

21 CONFLICT OF INTEREST

21.1 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.

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

21.3 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.

21.4 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.

22 COMPLIANCE WITH LAW

22.1 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.

22.2 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.

23 HEALTH AND SAFETY PROVISIONS

A. CONSULTANT and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONSULTANT and subcontractors shall abide by the most restrictive mandate.
B. Costs associated with adhering to health and safety mandates are the responsibility of the CONSULTANT. CONSULTANT is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

24 NOTIFICATION AND ACCESS REVOCATION

The CONSULTANT shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONSULTANT to be in breach of contract. Notice shall include the individual’s name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

25 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party (“Force Majeure Event”). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.
The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature,

expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONSULTANT is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONSULTANT when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

26 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.

27 ENTIRE CONTRACT AND AMENDMENTS

27.1 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.

27.2 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.

27.3 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.

28 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:

Salvador Mendez
City Manager

Lee Torres
Apr 28, 2026, 1:26 PM PDT

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

PARAGON PARTNERS CONSULTANTS, INC. (PARAGON):

William McCawley
Apr 28, 2026, 2:24 PM PDT

William McCawley
CFO

ADDRESS FOR NOTICE:
PARAGON PARTNERS CONSULTANTS, INC. (PARAGON)
5660 Katella Avenue, Suite 100
Cypress, CA 90630

APPROVE AS TO FORM:

Alexandra Severino
City Attorney

ATTEST:

Rochelle Scott
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	City of Palmdale
Name	Leonardo Torres
Title	



Signed on Apr 28, 2026 1:26 PM PDT

Secured by Concord™
DocumentID: 0337dMVmwP3tvVcOJq7N3H
SigningID: 0337dMVZaPJDatboeg2j32
UTC Signing time: 2026-04-28 20:26:17 UTC
IP Address: 206.171.111.149
Email: ltorres@cityofpalmdaleca.gov

For	bmccawley@paragon-partners.com
Name	William McCawley
Title	Vice President/CFO



Signed on Apr 28, 2026 2:24 PM PDT

Secured by Concord™
DocumentID: 0337dMVmwP3tvVcOJq7N3H
SigningID: 0337emczMOSHShxxscBg3Z
UTC Signing time: 2026-04-28 21:24:11 UTC
IP Address: 47.177.153.114
Email: bmccawley@paragon-partners.com

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PARAGON

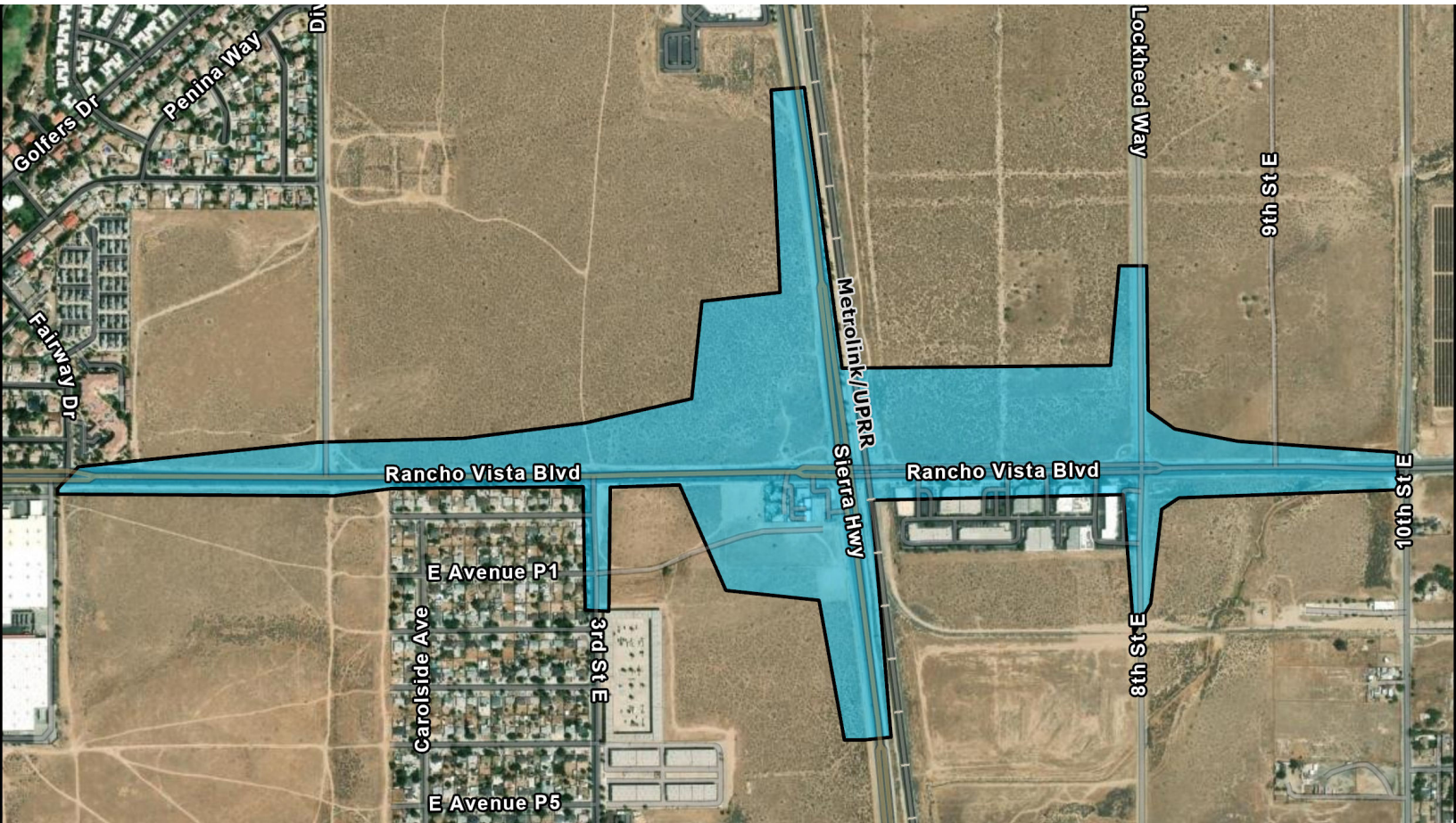
A CLS COMPANY

REQUEST FOR QUALIFICATIONS FOR RIGHT-OF-WAY ENGINEERING SERVICES FOR RANCHO VISTA BOULEVARD GRADE SEPARATION (PN527A)

February 19, 2026

CITY OF PALMDALE

a place to call home



PROPOSAL REQUIREMENTS

A) COVER LETTER 1

B) QUALIFICATIONS AND EXPERIENCE OF PROPOSER'S PERSONNEL 2

C) PROJECT APPROACH 15

D) PROJECT UNDERSTANDING 25

E) PROPOSED PERSONNEL 28

F) QUALITY ASSURANCE/QUALITY CONTROL PROCEDURES 39

G) SCHEDULE CONTROL 40

H) FEE SCHEDULE/COST PROPOSAL (under separate attachment)

FORMS

- Certificate of Proposal
- Respondent's Acknowledgement of Liability Insurance Requirements
- Non-Collusion Declaration Form
- Acknowledgement of 3 Addendums
- Byrd Anti Lobbying
- Certificate for Suspension and Debarment
- Deviations and/or Exception Form

PARAGON
A CLS COMPANY

February 19, 2026

City of Palmdale
Department of Public Works – Capital Improvement Program
Attn: Ludy Smeets, Project Manager
Lsmeets@oe-eng.com

RE: Proposal for Right-of-Way Engineering Services – Rancho Vista Boulevard Grade Separation (PN 527A)

Dear Ms. Smeets:

On behalf of Paragon Partners Consultants, Inc. (Paragon), I am pleased to submit our proposal to provide **comprehensive Right-of-Way (ROW) Engineering Services for the Rancho Vista Boulevard Grade Separation Project.** We have reviewed the Request for Proposal and fully understand the scope, objectives, and requirements outlined therein. We have kept our proposal to 40 pages (not including cover, table of contents, and forms). **Our team is committed to delivering exceptional right-of-way services that ensures timely acquisition, compliance with all applicable regulations, and seamless coordination with stakeholders.**

Paragon brings more than **33-years of experience in real estate right-of-way acquisition services for complex transportation and infrastructure projects,** including grade separations and rail corridor improvements. Our **Southern California office** is headquarters for our dedicated team of professionals who will perform the required work, ensuring responsiveness and accountability throughout the project lifecycle. Our teams have successfully completed projects with similar scopes for public agencies, with projects requiring expertise in Site Research, Title Services, Appraisal, Appraisal Review, Acquisition and Negotiations, Relocation Assistance, Escrow Coordination, Railroad Coordination, Utility Coordination, Property Management and Condemnation Support, when necessary. Our staff is also well versed and experienced in securing Caltrans Right-of-Way Certifications. We engage subconsultant partners with dedicated areas of focus and with whom we have worked extensively, as needed.

Our approach emphasizes proactive communication and stakeholder engagement. We are experienced and adept at conducting public outreach meetings and providing technical expertise to City Staff in support of its projects. Additionally, our proven QA/QC procedures and schedule control tactics will minimize risk and delays, enabling the City to meet its Project completion goal of Spring 2027.

AUTHORIZED OFFICER AND STATEMENT

Mark Mendoza, Principal/Corporate Broker, 5660 Katella Ave., Suite 100 Cypress, California, 90630 | 626.893.2026

I have read, understood and agreed to all statements in this request for proposal and acknowledge receipt of all addendums / amendments as well as to the terms, conditions, and attachments referenced.

Should you have any questions or require additional information, please contact me at 626.893.2026 or mmendoza@paragon-partners.com. Thank you for the opportunity to expand our partnership with the City of Palmdale by supporting this critical infrastructure improvement project.

Sincerely,



Mark T. Mendoza
Principal/Corporate Broker

SUMMARY OF EXPERIENCE & REFERENCES

PARAGON IS THE ONLY CONSULTANT WHICH HAS DELIVERED RIGHT OF WAY FOR MORE THAN 15 GRADE SEPARATION PROJECTS IN SOUTHERN CALIFORNIA

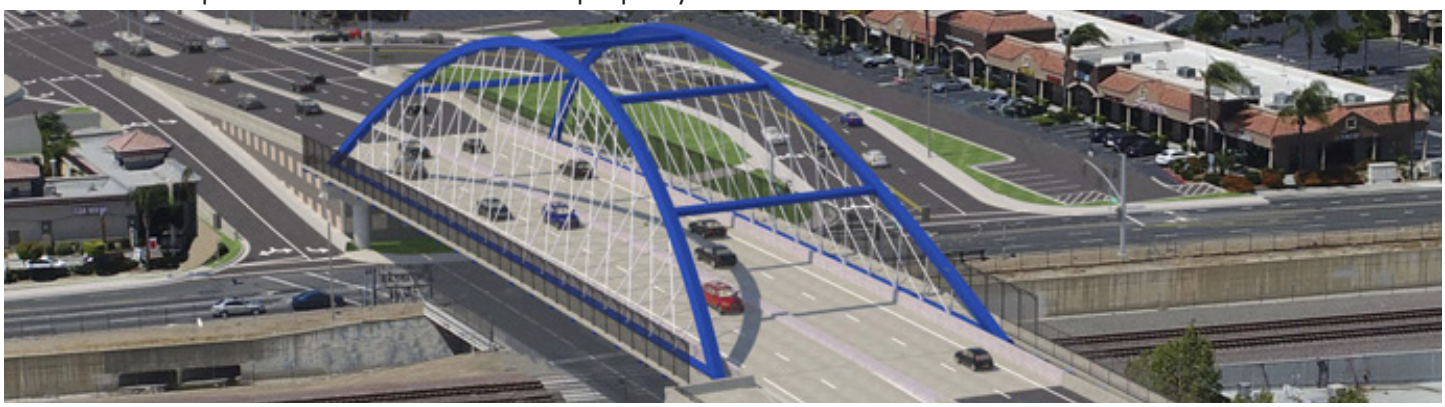
Paragon technical professionals have extensive expertise in providing and directing the full range of real estate right-ofway services for federally regulated and funded projects, in accordance with all statutory requirements. Our professionals are credentialed and knowledgeable in all city, state and federal laws, regulations and policies, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24), as amended; FTA 5010.1D, Chapter 13 of the Caltrans Local Assistance Procedures Manual (LAPM); the Caltrans Right-of-Way Manual; and the California Relocation Assistance and Real Property Acquisition Guidelines (Title 25, California Code of Regulations). In addition to a staff of 70 professionals with the right-of-way credentials and technical expertise to advance the most complex projects, for 33-years, Paragon' s culture of accountability has consistently produced high-quality deliverables and a level of service that surpasses client expectations each time.

For three decades, Paragon has been the preeminent provider of right-of-way services for grade separation projects throughout California. These projects have included multiple grade separations for the City of Corona - McKinley Street Grade Separation, Alameda Corridor Transportation Authority (ACTA), and successfully obtaining Caltrans Certification of eleven (11) grade separation projects for the Alameda Corridor-East Construction Authority (ACE). All ACE grade separation projects undertaken by Paragon have received the Caltrans Right-of-Way Certification. For a project that recently conducted a ribbon-cutting ceremony, **the San Gabriel Trench, for which Paragon prepared the Right-of-Way Certification, Caltrans noted that it was "exemplary," stating that they would use Paragon's certification as a model for future certifications.** Further, there has never been an occurrence or possible deallocation of project funding due to Paragon having not met the right-of-way schedule. This experience will be integral to the City's Rancho Vista Boulevard Grade Separation Project.

CITY OF CORONA, MCKINLEY STREET GRADE SEPARATION PROJECT

Paragon partnered closely with the design consultant to provide targeted value engineering services focused on minimizing right-of-way impacts while preserving the project's functional and safety objectives. Through early coordination and strategic design refinements, Paragon helped significantly reduce the number of property acquisitions and business relocations required.

The original project design required the full acquisition of 25 parcels and the relocation of 16 businesses, resulting in substantial community and stakeholder impacts. As a result of the revised design approach, the project was reconfigured to require full acquisition of only two parcels, partial acquisition of 15 parcels, and just nine relocations. This redesign substantially reduced costs, shortened the acquisition timeline, and substantially minimized disruption to local businesses and property owners.



ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY |THE ACE PROJECT - THE "GATEWAY TO AMERICA"

The ACE Construction Authority ("ACE") has secured nearly $1.7 billion to complete safety and mobility upgrades at 55 Union Pacific Railroad grade separations over 70 miles of mainline railroad in the San Gabriel Valley.

Paragon has served as the right-of-way program/real estate manager for this complex project for over 25 years. Paragon's ability to provide and manage a full complement of right-of-way and support services has resulted in the successful acquisition and management of more than 400 residential, commercial, industrial, retail, and railroad properties across 14 grade separations and improvements. In addition, Paragon has permanently relocated more than 150 business and residential displacees, as well as more than 200 personal property displacees. 11 out of the 14 projects associated with the ACE Project resulted in a 0% condemnation rate. Our success with the right-of-way acquisition and relocation for this Project is a testament to our expertise in providing a wide spectrum of land services to meet the needs of both private and public interests. Our extensive experience in regulatory processes and procedures and highly effective negotiation skills enable us to close deals quickly and economically and has resulted in ACE qualifying and receiving more than $110M in grants including funds from FTA.

ACE PROJECTS

CITY OF EL MONTE | BALDWIN GRADE SEPARATION PROJECT 38 acquisitions; 10 business relocations; 38 residential relocations	CITY OF INDUSTRY | PUENTE AVENUE GRADE SEPARATION PROJECT 26 acquisitions; 9 business relocations; 5 residential relocations
CITY OF PICO RIVERA | DURFEE AVENUE GRADE SEPARATION PROJECT 47 acquisitions; 7 business relocations; 1 residential	CITY OF EL MONTE | RAMONA GRADE SEPARATION PROJECT 8 acquisitions; 10 business relocations; 4 residential relocations
CITY OF POMONA | RESERVOIR GRADE SEPARATION PROJECT 27 acquisitions; 29 business relocations; 10 residential relocations	CITY OF POMONA | TEMPLE AVENUE GRADE SEPARATION PROJECT 21 acquisitions
CITY OF POMONA | EAST END GRADE SEPARATION PROJECT 14 acquisitions; 2 business relocations	CITY OF INDUSTRY NOGALES STREET GRADE SEPARATION PROJECT 16 acquisitions; 19 business relocations
CITY OF POMONA | TEMPLE 4TH TRACK 26 acquisitions	CITY OF INDUSTRY | BREA CANYON GRADE SEPARATION PROJECT 50 acquisitions; 1 business relocations; 2 residential relocations
CITY OF INDUSTRY | SUNSET GRADE SEPARATION PROJECT 10 acquisitions	CITY OF INDUSTRY | FULLERTON GRADE SEPARATION PROJECT 23 acquisitions; 4 business relocations
CITY OF SAN GABRIEL | SAN GABRIEL TRENCH- 52 acquisitions; 2 business relocations; 1 residential relocations	CITY OF INDUSTRY | FAIRWAY DRIVE GRADE SEPARATION PROJECT 23 acquisitions; 1 business relocation

CITY OF INDUSTRY, FULLERTON ROAD GRADE SEPARATION PROJECT

The Fullerton Road Grade Separation Project lowers Fullerton Road beneath the existing railroad right-of-way in the City of Industry and unincorporated area of Los Angeles County, between Rowland Street and State Route 60 (SR-60). The project required three full takes, 17 partial takes and 4 business relocations. Some of the project challenges and solutions included: *Puente Plaza is a very large and expensive multi-tenant commercial shopping center ($40Million+) within the project limits. Working with Biggs Cardoza and ACE, direct project impacts were avoided and the project utilities that were to be re-located in Puente Plaza as part of the Project were constructed pursuant to a Permit to Enter in lieu of a formal acquisition of property rights. In exchange for the Permit to Enter, an upgrade of an existing water line that currently services the property was negotiated. Additionally, reconstruction of an existing retaining wall was necessary. Rather than formally acquiring rights for the wall reconstruction, permission to construct was granted by the owner in exchange for the placement of a small plexi-glass barrier on the top of the subject wall. The wall separated the lowered street from the patio of a restaurant.* **The significance of not formally acquiring the aforementioned property rights foreclosed more than 24 businesses of significant size to make a claim for loss of business goodwill as a result of the project. Stated differently, there were no "property takings". The work as noted above was performed under a Permit to Enter which is an acceptable vehicle to Caltrans when used correctly.**



ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) | OC BRIDGES PROGRAM

OCTA's $635 million OC Bridges Program delivered seven new overpasses and underpasses designed to ease congestion by separating major roadways from the busy freight and passenger rail lines running through Anaheim, Fullerton, Placentia, and Yorba Linda. With these improvements, drivers no longer face long delays waiting for trains to pass. By 2030, rail activity along the corridor is expected to increase to approximately 130 trains per day, making these grade separations even more critical for mobility and safety. Paragon provided right of way services for two of these grade separation projects.

ORANGETHORPE AVENUE GRADE SEPARATION PROJECT

The Orangethorpe Avenue Grade Separation project constructed an overpass with three lanes in each direction. ***Paragon provided relocation assistance for 30 businesses including a liquor store, dry cleaners, restaurants, barber shop, donut shop, nail salon, storefront church and specialized school.***



STATE COLLEGE BOULEVARD GRADE SEPARATION

OCTA constructed a vehicle undercrossing at the BNSF railway to eliminate train-vehicle conflicts. The project lowered the roadway between Santa Fe Avenue and south of Valencia Drive, significantly reducing traffic congestion and improving safety. ***Paragon successfully completed complex commercial relocations for 13 businesses including carpet/flooring outlets, furniture store and industrial manufacturing facilities.*** Paragon also provided construction management involving reviewing and approving plans, claims and contractor compliance.



ADDITIONAL RELEVANT PROJECTS

CITY OF BEAUMONT	Hargrave Grade Separation Project
CITY OF RIVERSIDE	SR-91 and Van Buren Bridge| Relocation Plan and Relocation Assistance Riverside Avenue Grade Separation| Relocation Assistance Van Buren Street Widening| Acquisition and Relocation of 45 parcels
ORANGE COUNTY TRANSPORTATION AUTHORITY	Orangethorpe Avenue Grade Separation State College Boulevard Grade Separation
CITY OF POMONA	SR-71/Mission Boulevard Grade Separation
ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY	Washington Blvd./Santa Fe Avenue Grade Separation Redondo Junction Flyover UPRR Rail Improvements Washington Blvd. /BNSF Grade Separations Grade Separation at the UPRR crossing of Perrino Place
METROLINK (SCRRA)	Balboa Double Track Extension Canyon Extension
CALIFORNIA HIGH SPEED RAIL AUTHORITY	High Speed Rail | Right of Way Acquisition Services
LA METRO	Airport Metro Connector Crenshaw/LAX Transit Corridor Regional Connector Project Willowbrook/Rosas Parks Station Improvement Project East San Fernando Valley Light Rail
SAN BERNARDINO COUNTY TRANSPORTATION AGENCY (SBCTA)	I-10/Cherry Avenue Interchange | I-10 Citrus/Avenue Interchange West Valley Connector

REFERENCES

We encourage the City of Palmdale to contact the references provided below to verify the quality, timeliness and cost-effectiveness of our services. We pride ourselves on developing best practices and processes for our clients, ensuring that positive interactions prevail among our professionals and that the project work is safely performed and promptly achieved.

	CLIENT REFERENCE	CONTACT
1	Rene Coronel, Senior Project Manager, San Gabriel Valley Council of Governments	1333 S. Mayflower Ave. Suite 360, Monrovia, CA 91016 | 626.543.4914
2	Joy M. Buenaflor, Deputy Director Transit/Rail Programs, San Bernardino County Transportation Authority	1170 West Third Street, 2nd Floor San Bernardino, CA 92410 | 909.884.8276
3	Eric Pheifer, P.E., Principal, Biggs Cardosa Associates, Inc.	500 S. Main Street, Suite 1200 Orange, CA 92868 | 714.550.4665

CREDENTIALS OF PROPOSER'S PERSONNEL AND SUBCONSULTANTS

Paragon is part of the CLS Family of Companies, the largest right-of-way (ROW) consulting firm in the United States. Our proposed ROW professionals have extensive industry experience and represent all disciplines involved in the City of Palmdale's Scope of Work. We understand each stage of the ROW process and how to determine the most effective schedule to make progress on any given project in a time and cost-effective manner. **Corporate Broker/Principal, Mr. Mendoza, with 40 years of real estate/ROW experience in California**, will oversee a team of veterans who can apply their years of experience and wealth of knowledge to this project. **Project Manager, Colin Valles is a licensed California real estate agent, and is highly skilled in securing property rights and advancing projects through effective coordination with property owners and stakeholders.** Colin also currently provides right-of-way services to The California Department of Transportation, District 7, in cooperation with the City of Palmdale, to widen widened both Palmdale Boulevard (SR-138) and Sierra Highway from two lanes to three lanes in each direction. The team we have selected for this Project will support the ROW objectives underlying the City of Palmdale's goals and plans for future development, with an emphasis on compliance, fiscal responsibility and time management. Subconsultants were chosen for this project based on our many years of successful collaboration on comparable public infrastructure projects. **Our familiarity with each firm's technical strengths, work processes, and quality standards enables the team to operate efficiently from project initiation, minimize learning curves, and proactively address issues as they arise.**

Over the last **5 years, Project Manager Colin Valles** has worked with the **City of Palmdale** delivering right of way for two critical projects.

B) QUALIFICATIONS AND EXPERIENCE OF PROPOSER'S PERSONNEL

FIRM NAME	STAFF	ROLE	APPLICABLE LICENSES/EDUCATION	OFFICE LOCATION
KEY TEAM MEMBERS				
PARAGON	**Mark Mendoza, MRED**	Corporate Broker/ Principal	CA Real Estate Broker #01445764 Master of Science, Real Estate Development (MRED)	5660 Katella Ave., Suite 100 Cypress, CA 90630
PARAGON	**Colin Valles**	Project Manager	CA Real Estate Salesperson #02160823 Notary Public, California	5660 Katella Ave., Suite 100 Cypress, CA 90630
PARAGON	**Cheryl DeMucci, SR/WA, R/W-RAC**	Quality Control/ Quality Assurance	CA Real Estate Salesperson #01885792 IRWA, SR/WA, R/W-RAC IRWA Chapter 1, Secretary	5660 Katella Ave., Suite 100 Cypress, CA 90630
PARAGON	**Dionisio Marquez, R/W- RAC**	Relocation Manager	CA Real Estate Salesperson #01147072 IRWA, R/W-RAC IRWA Chapter 1, Relocation Chair	5660 Katella Ave., Suite 100 Cypress, CA 90630
PARAGON	**Dan Akins, MRED**	Principal Acquisition Agent	CA Real Estate Broker #1338651 Master of Real Estate Development (MRED	5660 Katella Ave., Suite 100 Cypress, CA 90630
SUBCONSULTANTS				
PARSONS	**Daniel Kachi, PE**	ROW Engineering	Professional Engineer, C85739, Dept. of Consumer Affairs, Board for Professional Engineers, Land, Surveyors and Geologists	525 B Street, Suite 1600 San Diego, CA 92101
Commonwealth Land Title Company	**Chris Maziar**	Title Reports	No individual Licenses needed	4400 MacArthur Blvd. Suite 800 Newport Beach, CA 92660
Commonwealth Land Title Company	**Grace Kim**	Escrow	No individual Licenses needed	4400 MacArthur Blvd. Suite 800 Newport Beach, CA 92660

THOMPSON & THOMPSON REAL ESTATE VALUATION AND CONSULTING	**Bradford Thompson, MAI, AI-GRS, SR/WA**	Appraisal	MAI, No. 11063, AI-GRS, SR/WA, No. 5336 Certified General Real Estate Appraiser, CA No. AG002282 Licensed Real estate Broker, CA No. 01070707 California State Polytechnic University, Pomona -M.B.A. University of Southern California – B.S	109 N. Ivy Ave. Suite A Monrovia, CA 91016
Scott Enterprises Appraisal & Consulting, Inc	**Janet Scott, MAI, SR/WA**	Appraisal Review	Appraiser License #AG034539 Master of Business Administration (MBA), Designated Member of the Appraisal Institute (MAI), Designated Member of the International Right of Way (SR/WA)	PO Box 11 Wilton CA 95693
DM&A DESMOND, MARCELLO & AMSTER ESTABLISHED 1968	**Marcus R. Pigrom, ASA**	FF&E Appraisal	ASA	222 Pacific Coast Highway, 10th Flr. El Segundo, CA 90245
EPIC A CLS COMPANY	**Bernadette Salto**	Utility Coordinator	General Studies, Cerritos Community College, Cerritos, CA	1181 California Avenue, Suite 270 Corona, CA 92881
D.Woolley & Associates LAND SURVEYING AND MAPPING	**David E. Woolley, PLS**	Plat Maps and Legal Descriptions	CA PLS No. 7304 Santiago Canyon College – Survey and Mapping Coursework	2832 Walnut Ave. Tustin, CA 92780
Terracon	**Jennifer Van**	Environmental Phase I Reports	Environmental Professional, E1527-21 Master of Environmental Engineering, California State University, Fullerton Bachelor of Science, Environmental Sciences: Natural Sciences.	23041 Avenida De La Carlota, Suite 350 Laguna Hills, CA 92653

KEY TEAM MEMBERS (RESUMES INCLUDED IN SECTION E)

Paragon has earned the respected reputation as one of California's top land rights consulting firms because of our skilled professionals, project management savvy, depth of resources, scalable solutions, and compliant results. Paragon's personnel increase their extensive work experience, ingenuity and creativity, and educational background with active participation in professional organizations and training seminars to stay knowledgeable about current laws and trends. We also enjoy productive and collaborative working relationships with our longtime subconsultant partners.

Mark Mendoza, Principal and Corporate Broker - Mark has 40 years of experience managing right-of-way programs for major public infrastructure projects across California. A licensed Real Estate Broker with deep expertise in acquisition, relocation, and property management, Mark ensures compliance with Caltrans and federal requirements, including the Uniform Act. His leadership on complex transportation and utility projects positions him as a trusted resource for delivering timely, cost-effective creative solutions for projects small and large throughout Southern California.

Colin Valles, Project Manager - Colin brings eight years of experience managing right-of-way and real estate services for a wide range of public- and private-sector projects. Colin's experience includes working with the City of Palmdale

in delivering Right of way for multiple projects, for over 5 years. He is a licensed California real estate agent and is highly skilled in securing property rights and advancing projects through effective coordination with property owners and stakeholders. He is detail-oriented and frequently relied upon for QA/QC review of acquisition documents to ensure accuracy and compliance. Colin is proficient in Uniform Act and Caltrans requirements and has extensive experience managing schedules, preparing reports and offer packages, and coordinating with appraisers, lenders, attorneys, and title and escrow agents. His background also includes negotiating with property owners and tenants, public outreach events, researching market conditions and comparables, notarizing easements as a commissioned Notary, and providing high-quality relocation advisory services. Highly organized and adaptable, Colin effectively balances complex communications with process-driven deadlines to keep projects moving forward.

Cheryl DeMucci, Quality Assurance/Quality Control Manager - Cheryl DeMucci brings extensive experience in right-of-way project delivery and serves as QA/QC Manager, overseeing quality assurance and control for appraisal, acquisition, relocation, and title and escrow services. Cheryl has worked with the City of Palmdale on the valuation of its Regional Airport, including leasehold valuation. She is highly knowledgeable in Uniform Act and Caltrans requirements, including Right-of-Way Certification, and ensures work products are accurate, compliant, and defensible. Cheryl's strong leadership and communication skills, combined with her applied knowledge of property valuation, acquisition procedures, title research, relocation assistance, and local land-use regulations, support consistent, high-quality project delivery.

Dionisio Marquez, Relocation Manager - Dio has 30 years of experience in residential and commercial acquisition and relocation services for public agency projects. He is highly skilled in implementing relocation programs in compliance with the Uniform Act, Caltrans requirements, and federal guidelines, including FHWA, FTA, FAA, and HUD. Dionisio has successfully managed large-scale projects with strict schedules and budgets, ensuring exceptional service to both agencies and displaced parties. He is also bilingual (English/Spanish), enhancing communication with diverse stakeholders.

Dan Akins, Principal Acquisition Agent - Dan has 29 years of experience providing right-of-way and real estate acquisition services for public and private projects throughout Southern California. As a Principal Acquisition Agent, he leads acquisition teams and manages projects from planning through closeout, ensuring efficient delivery and regulatory compliance in multiple grade separation projects. Dan is highly skilled in acquisition strategy, property valuation, and negotiations, with a strong ability to work effectively with property owners, legal counsel, appraisers, and community stakeholders. His deep knowledge of local land use regulations and Uniform Act requirements, combined with strong leadership and communication skills, supports the successful delivery of complex acquisition programs.

SUBCONSULTANTS AND TRUSTED PARTNERS

PARSONS®

FIRM PROFILE

Serving Southern California since 1944, Parsons is one of the largest engineering and construction companies and is driven by core values of integrity, sustainability, innovation, quality, diversity, and safety. Parsons, a corporation, has offices in 34 states, operates in 25 countries, and has more than 20,000 personnel that offer a wide range of services in infrastructure, defense, and intelligence services. Parsons has a strong presence in Southern California with 5 offices that consist of more than 500 professionals who offer a wide range of transportation related services.

PROJECT EXPERIENCE

Parsons, in partnership with Paragon Partners, is a trusted provider to the City of Palmdale—delivering current and past projects that enhance safety, improve mobility, and advance the City's vision for sustainable growth.

- **Palmdale Boulevard Widening PN 653**
- **Rancho Vista Grade Separation, PN 914**
- **Avenue R Street Improvement, Section 130 PN 852**

TEAM MEMBER

Daniel Kachi, PE, Project Manager has experience in road and highway project management, design, quality assurance/ quality control procedures, drafting, cost estimating, and specification production, and he is knowledgeable in various roadway standards. Daniel's attention to detail and project management style ensures the timely delivery of projects on schedule and within budget. He has a depth of experience and knowledge with City procedures, having worked alongside the City for the past 10 years. Daniel has extensive experience working with the project stakeholders including the City, Caltrans (District 7), California Public Utilities Commission (CPUC), Southern California Edison (SCE), Palmdale Water District (PWD), and Antelope Valley Transit Authority (AVTA) specifically on City Projects (PN 652, 653, 787, 852, and 914).

Commonwealth LAND TITLE COMPANY

FIRM PROFILE

Commonwealth Land Title Company provides a full range of escrow and title services to support right-of-way, public works, utility, and transportation projects of any size. With more than 20 years of specialized experience serving government agencies, our team is highly skilled in complex real-estate transactions, including acquisitions, easements, and major infrastructure improvements. Commonwealth currently supports numerous Southern California agencies on projects ranging from street widenings to large freeway and power transmission expansions. Backed by strong financial stability and a nationwide workforce, Commonwealth delivers reliable, high-quality service on every assignment.

PROJECT EXPERIENCE

Coomonwealth has worked with Paragon on a number of projects. Below are a few examples:

- **City of Palmdale | SR-138 Widening Right of Way**
- **California High-Speed Rail Authority**
- **City of Highland | Eminent Domain Services for SFR property (26377 9th Street)**
- **City of Santa Clarita | Sierra Highway Bridge Project**
- **City of Temecula | Diaz Road Expansion - Title Reports**
- **County of Los Angeles |DPW - Title Services - Hasley Canyon Road at Interstate 5**

TEAM MEMBERS

Chris Maziar, Assistant Vice President and Senior Title Officer, brings 40 years of experience in the title industry with extensive expertise in commercial and industrial title searching and examination. He has successfully overseen thousands of full and partial takes over the past 15 years and works effectively with property owners, attorneys, lenders, and right-of-way firms. As a seasoned Title Officer, Chris makes informed underwriting decisions, resolves issues that may cloud title, and proactively identifies and addresses potential problems to minimize cost and delay for clients. Known for his strong communication, leadership, and time-management skills, he consistently ensures thorough, accurate, and efficient title review on complex projects.

Grace U. Kim, Assistant Vice President and Commercial Escrow Officer, brings over 31 years of experience in the real estate industry, supported by a Bachelor of Science in Economics. She began her career with a mortgage lender before moving into escrow, where she handled a wide range of complex transactions including bulk sales, right-of-way and government acquisitions, bankruptcies, and foreclosure sales. Before joining Commonwealth Title Company in 2011, Grace spent nine years with Stewart Title of California as a Senior Commercial Escrow Officer, closing transactions up to $8 billion and single projects involving more than 570 parcels. Her extensive experience and strong technical expertise make her a trusted lead on large-scale, high-risk commercial escrow assignments.

THOMPSON & THOMPSON
REAL ESTATE VALUATION AND CONSULTING

FIRM PROFILE

Bradford Thompson, MAI, AI-GRS, SR/WA and Scott J. Thompson, MAI, AI-GRS, SR/WA specialize in complex litigation appraisal matters. Assignments include eminent domain, both direct condemnation and inverse condemnation matters, possessory and partial interests, review appraisal, assessment appeals, and estate administration. Thompson & Thompson was established January 2020.

PROJECT EXPERIENCE

Bradford Thompson, MAI, AI-GRS, SR/WA and Scott J. Thompson, MAI, AI-GRS, SR/WA have appraised large scale multiple-parcel projects as well as individual properties within the past ten (10) years. Recent assignments have included:

- **300+ parcel/ownerships for California High Speed Rail Project; property types vary from railroad corridors, row crops, orchards, industrial complexes, storage facilities, residences, vacant land, water issues, etc.**
- **Brightline West High Speed Rail Project between Rancho Cucamonga and Las Vegas**
- **1,600+/- Antelope Valley parcels for acquisition for the Los Angeles County Sanitation Districts**
- **800+/- parcels for electrical transmission corridors for Southern California Edison, including the Tehachapi Renewables Transmission Project (TRTP) substations and transmission corridor in Kern and Los Angeles counties**

TEAM MEMBERS

Bradford Thompson, President and Managing Partner of Thompson & Thompson, established 2020. Entered the appraisal field in 1989, and was with the appraisal firm of Mason and Mason from 1991thru 2019, Partner 2006 thru 2019. Expertise includes research, consulting, appraisal report preparation, and expert testimony for a variety of property types, including industrial, commercial, retail, office, vacant acreage, and single and multi-family residential properties. Property valuations for eminent domain both full and partial acquisitions, inverse condemnation, property tax appeals, possessory interests, corridor valuation, and asset management/estate valuation.

Scott Enterprises
Appraisal & Consulting, Inc.

FIRM PROFILE

Scott Enterprises Appraisal and Consulting, Inc. is a Sacramento-based appraisal firm providing comprehensive valuation and consulting services for a wide range of commercial and residential property types. With more than two decades of industry experience, the firm offers reliable appraisal and appraisal review services supported by strong analytical methods and deep knowledge of California real estate markets. The company is led by a Certified General Appraiser and licensed Real Estate Broker with advanced professional designations, ensuring work that meets the highest standards of accuracy, clarity, and compliance. Scott Enterprises serves public agencies, private clients, financial institutions, and legal professionals throughout Northern California, delivering dependable, well-supported valuation solutions.

PROJECT EXPERIENCE

The following are Right-of-Way projects Janet Scott was involved on with Paragon:

- **Appraisal review work for the City of Fresno, for the Blackstone Smart Mobility Project**
- **Appraisal review work for the City of Wheatland related to the wastewater infrastructure expansion project**
- **Appraisal review work for the City of El Monte, Area Y Park Project**
- **Appraisal review work for Stanislaus Regional Transportation Authority (StanRTA)**

TEAM MEMBER

Janet Scott, MBA, MAI, SR/WA is a Certified General Appraiser located in Sacramento County, California. She is a licensed Real Estate Broker, and Owner of Scott Enterprises Appraisal and Consulting, Inc. Ms. Scott has completed appraisal and appraisal review work related to a variety of commercial and residential property types for over 20 years.

EPIC
A CLS COMPANY

FIRM PROFILE

Epic Land Solutions, Inc. (EPIC) is a full-service right-of-way consulting firm founded in California in 2000 and dedicated to creating land solutions for the public good. As Paragon's sister company within the CLS family of companies, EPIC provides comprehensive support for all right-of-way needs across California. For 25 years, EPIC has partnered with public agencies and engineering teams to make informed property acquisition decisions, avoid design impacts, and reduce construction risks. As a recognized Caltrans Certification specialist, the firm has delivered right-of-way and utility clearance services for major highway and interchange projects such as the SR-210 Base Line Interchange, SR-60 Central Avenue Interchange, and SR-60 Archibald Avenue Interchange for SBCTA; the I-15 Railroad Canyon Road Interchange for RCTC; and the SR-55 Improvement Project for OCTA.

PROJECT EXPERIENCE

- **New School Construction Program, Los Angeles Unified School District (LAUSD), Los Angeles County, CA**
- **Mount Vernon Avenue Viaduct Replacement Over BNSF Intermodal Yard, San Bernardino County Transportation Authority (SBCTA), San Bernardino, CA**
- **North First Avenue Bridge Replacement Over BNSF Rail Yard, City of Barstow, CA**
- **Ramon Road Widening & Bridge Replacement Phase II, Cities of Cathedral City and Palm Springs, CA**

TEAM MEMBER

Bernadette Salto, Utility Coordinator supports the Utility Services team by coordinating meetings with utility owners, managing dig alerts, preparing notification letters, and assembling utility certification files. She provides dependable project support through strong problem-solving skills, attention to detail, and excellent time management. Bernadette is experienced in ProjectWise and works closely with engineers to keep project documents organized and up to date. Prior to joining EPIC, she spent eight years as a project coordinator for an electrical contractor.

D. Woolley & Associates™
LAND SURVEYING AND MAPPING

FIRM PROFILE

D. Woolley and Associates, Inc. ("DWA") is a California S-Corporation and Small Business Enterprise (SBE), providing full-service land surveying to both private and public clients since 2003. They provide a range of surveying services, including topography, boundary, as-builts, aerial surveys via sUAS, construction staking, establishing and maintaining survey control points/benchmarks, map-checking, GIS, GPS, legal descriptions, easements, plats, right-of-way, monument perpetuation, subsurface utility locating, laser scanning, Records of Survey, Corner Records, lot line adjustments, earthwork/volume calculations, land title surveys, and more. Of its 20 employees, two are licensed Professional Land Surveyors (PLS), and eight are Land Surveyors in Training (LSIT). DWA staff are uniquely cross-trained in both field and office surveying. This integration of skill, communication, and full-process knowledge is central to our efficient business model. The team is among the best trained and equipped in California.

PROJECT EXPERIENCE

D. Woolley & Associates (DWA) has relevant experience working collaboratively with Paragon on the Orange County Sanitation District (OC San) Easement Evaluations contract, a multi-year effort with a not-to-exceed (NTE) value of $2,700,000. Under this contract, DWA and Paragon jointly perform field-based easement evaluations and related surveying services for OC San easements across multiple Southern California counties. The work generally includes on-site inspections, documentation of existing easement conditions, coordination of access, review of recorded property and easement information, identification of potential discrepancies or encroachments, and preparation of survey and mapping deliverables for selected easements requiring professional land surveying services, all in accordance with OC

TEAM MEMBER

David Woolley is a seasoned land surveying professional with extensive public- and private-sector experience, including founding D. Woolley & Associates and serving as Interim and Contract City Surveyor for the City of Long Beach since 2008. He oversees all QA/QC efforts for DWA and is recognized as an authority in mapping, boundary resolution, and standard-of-care issues, serving as an expert witness in complex litigation throughout California. His background includes managing major public works and port projects—such as the Pier E Middle Harbor development and the Pier G Maintenance and Repair Building—requiring advanced coordination, technical oversight, and expertise in state laws, local ordinances, and high-precision construction surveying. His work with city and county agencies, combined with his leadership on demanding, large-scale projects, underscores his reputation for accuracy, problem-solving, and deep regulatory knowledge.

DM&A
DESMOND, MARCELLO & AMSTER
ESTABLISHED 1968

FIRM PROFILE

Since 1968, Desmond, Marcello & Amster, LLC (DM&A) has provided clients in both the public and private sectors with expertise in the valuation of closely-held businesses, professional practices, and tangible and intangible assets, such as furniture, fixtures and equipment (FF&E), and goodwill. Since the enactment of the California Eminent Domain Law of 1976, DM&A has specialized in providing valuation services related to public agency property acquisition. DM&A's professional staff consists of 12 individuals, including both FF&E appraisers and goodwill loss appraisers. This multi-disciplinary capability enables DM&A to address complex valuation issues involving both appraisal disciplines. Further, the size of our professional staff enables DM&A to accommodate client needs on large projects with tight deadlines. Our professionals have extensive knowledge and expertise in the implementation of relevant California statutes and case law pertaining to FF&E and goodwill loss valuation.

PROJECT EXPERIENCE

DM&A and Paragon have partnered on projects for decades. Recent examples include:

- **SJRRC Capital Improvement Project**
- **Sacramento Municipal Utility District - Rogelio Sanchez Farm**
- **San Bernardino County Transportation Authority – West Valley Connector Project**

TEAM MEMBER

Marcus Pigrom, FF&E Appraiser is a Partner at Desmond, Marcello & Amster with over 20 years of experience appraising furniture, fixtures, machinery, and equipment for eminent domain projects across California. Since joining the firm in 2005, he has completed hundreds of FF&E appraisal assignments for agencies such as Caltrans, the California High-Speed Rail Authority, LA Metro, SBCTA, and OCTA. Marcus' expertise spans a wide range of business types including manufacturing facilities, service stations, restaurants, industrial operations, and mobile homes. He is highly skilled in coordinating with real estate appraisers to avoid duplication of compensation and in determining equipment classifications under CCP §1263.205. As an experienced expert witness, Marcus has testified in depositions and trials and provides litigation support related to fixtures and equipment valuation. Prior to his appraisal career, he gained hands-on operational experience managing plant operations for a regional bottling company.

FIRM PROFILE

Since its founding in 1965, Terracon has brought 60 years of invaluable experience. With a local team of 100+ professional personnel, they actively engage in challenging projects, reflecting their dedication to delivering exceptional services. As an employee-owned corporation, Terracon has become a thriving multi-discipline engineering consulting firm that provides environmental, geotechnical, facilities, and materials services. Their more than 8,000 professionals (nationwide) include engineers, scientists, architects, facilities experts, and field professionals focused on solving engineering and technical challenges from more than 200 locations nationwide. On-time and real-time data-driven insights, provided by their talented employee-owners, create an unmatched client experience that spans the lifecycle of any project.

PROJECT EXPERIENCE

Terracon Consultants, Inc. and Paragon have partnered on projects for many years. Paragon's Colin Valles works with Terracon to provide environmental services for projects including:

- **Downey Lakewood Imperial Project, Los Angeles, CA**
- **City of Santa Ana: 2245 South Cypress Avenue, Santa Ana, CA**
- **128 E Warner Avenue, Orange County, CA**
- **215 East Warner Avenue, Orange County, CA**

TEAM MEMBER

Jennifer Van, Environmental Group Manager, Due Diligence has over 14 years of experience in the environmental consulting industry and currently leads Due Diligence operations for Southern California. She oversees a team of geologists and scientists responsible for managing due diligence projects across Southern California and Nevada. As the Authorized Project Reviewer for Phase I Environmental Site Assessments (ESAs), Jennifer plays a critical role in ensuring quality and compliance. Her expertise spans various environmental investigations, including Phase I ESAs and Limited Subsurface Investigations (LSIs) for public works, agricultural, petroleum, and industrial properties. She is also experienced in developing Spill Prevention, Control, and Countermeasure (SPCC) Plans, conducting Limited Environmental Compliance Assessments (LECAs), ensuring regulatory compliance, and performing radon measurements as a certified provider.

PROJECT APPROACH

Paragon staff is prepared to immediately meet with key personnel and key stakeholders for the purposes of gathering and disseminating project information. We are aware that right of way procurement is on the critical path and that any delay in obtaining Right of Way Certification could adversely impact overall project schedules. ***Paragon's Right-of-Way Certifications (ACE San Gabriel Trench) of 57 parcels was approved by Caltrans within 24 hours of submission.*** The immediate turnaround is a testament to our anticipatory and proactive approach to project certification and our Program Management prowess in general. In coordination with the City and Design Team, right of Way Cost estimates and the Caltrans Data Sheet will be updated. The estimate will serve to quantify all real estate related project costs. **Paragon has prepared the estimates for numerous projects that have been used to establish budgets and/or supporting documentation for obtaining E-76 funding authorizations for the past 18 years.** Moreover, on prior projects, Paragon has been 80% successful in overall (i.e., start to finish) real estate services budget forecasting. Each month an accounting, review, and update of all real estate related costs will be provided to the City with sufficient detail to flag anomalous changes and variances. Our Project Manager will also confer with the City as appropriate to ensure communication of all relevant budgetary matters. Brett Brown, Title Manager, and his team will review and evaluate all Preliminary Title Reports along with underlying documents of the impacted parcels. Findings, if any, such as reciprocal easements, restrictive covenants, Land-Sale Contracts, licenses, defects in chain of title, non-released liens, etc., which could have a design and/or cost impact on the City's ability to obtain property rights, will promptly be brought to the attention of the Project Team – along with recommended resolutions.

PUBLIC OUTREACH

Paragon understands that public outreach and engagement are key elements to the success of the City's grade separation project at the intersection of Rancho Vista Blvd. and Sierra Highway. **In our experience, right-of-way acquisition for a grade separation or major corridor project can create measurable impacts to both local and regional businesses and homeowners. These impacts include disrupting access, reducing on-site parking, eliminating street parking, and creating noise, vibration, dust and light disturbances, to name a few.** To moderate these affects, Paragon's approach toward effective public engagement is creating an ongoing dialogue to promote citizens involvement and understanding at an early stage, encourage feedback, and enable clear responses from public agencies to foster a meaningful dialogue among all stakeholders. In our experience and most often, such dialogues can prompt mitigation measures that can avert project costs, delays, and adverse impacts.

The goals of Paragon's public outreach activities are to:

- Describe to the general public how to become involved in public infrastructure decisions that affect them and their communities
- Encourage early, broad-reaching public engagement in major decisions and developments related to infrastructure improvement projects
- Ensure that the community understands the decision-making process related to the project
- Increase awareness of planning activities including how and when the public is involved
- Optimize notification of and engagement in the project within lower-income and culturally diverse neighborhoods and special needs populations
- Provide an effective method of evaluating the efficacy of its public outreach and engagement.

How do we achieve these goals? Paragon employs the following strategies:

1. Early Stakeholder Identification and Property Owner Mapping
   a. Identify directly affected property owners (full and partial acquisitions)
   b. Tenants and property owners
   c. Adjacent property owners
   d. Community leaders and neighborhood groups

Conduct one-on-one introductory meetings before formal acquisition begins. Early and direct contact reduces anxiety and speculation, builds rapport, and surfaces property-specific concerns that may influence design or mitigation planning.

2. Host Property-Specific Impact Briefings to Improve Understanding
   a. Use exhibits showing proposed right-of-way visuals
   b. Include driveway and utility impact diagrams
   c. Present acquisition timelines and relocation rights

3. Conduct Transparent Acquisition and Relocation Education Workshops Explaining:
   a. The appraisal process
   b. Just compensation standards
   c. Relocation assistance eligibility
   d. The negotiation process
   e. Property owner rights under state and federal law

4. Utilize Multi-Channel Communication Program
   a. Project website with parcel-specific updates
   b. Email/text notifications
   c. Direct mailers
   d. Social media updates
   e. Dedicated project hotline or liaison point of contact

5. Community Liaison Program Add-Ons
   a. Rapid-response issue resolution (24-48-hours)
   b. On-site pop-up office hours for businesses
   c. Coordination with local emergency services and delivery providers

Paragon is highly experienced in working with property owners, government agencies, and other stakeholders to promote and effectively address public comments and concerns regarding right-of-way acquisition required for public projects. We implement a proactive approach to keep the public informed of planned activities, and maintain consistent communication to ensure their concerns are noted and are immediately addressed. ***Our technical personnel are skilled communicators, with excellent interpersonal skills, aware of the social and political environment, and highly experienced as to citizen and community expectations.***

We employ various outreach assistance services which have included providing property ownership lists with contact information for use in mailings, the commitment of a Project Manager and Senior Right-of-Way Agent to lead community meetings and workshops, and the creation of GIS visual aids for presentations. We welcome the ability to advance public outreach and promote citizen engagement regarding the Project and look forward to leading multiple public meetings and attending a City Council meeting in support of City, the Project goals, and the community at large.

VALUATION ACTIVITIES

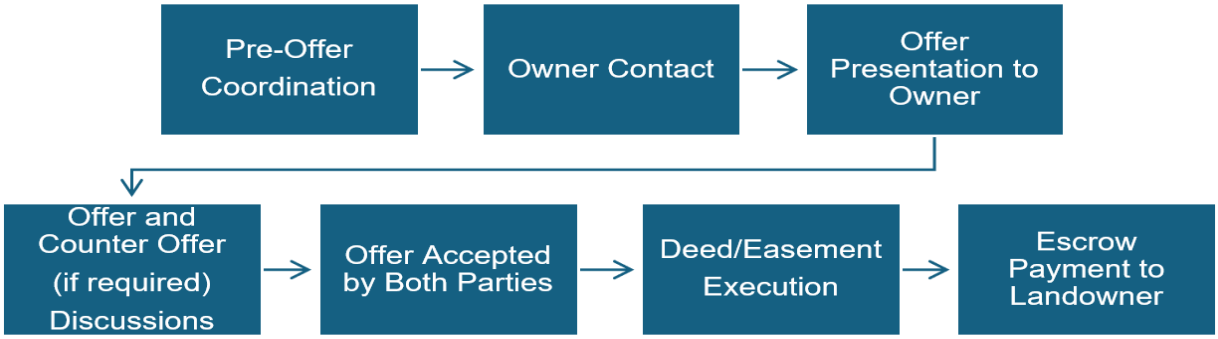
After reviewing the right of way requirements for the Project, there are 16 properties that require a Temporary Construction Easement only. Paragon researched recently sold comparable sales for similar properties within the surrounding area and determined that a waiver valuation could be prepared in lieu of securing a narrative appraisal. A waiver valuation is an alternative to a narrative appraisal that may be used when acquiring real properties valued at $15,000 or less and when the acquisition is uncomplicated. In accordance with the Federal regulations, the Federal agency funding the project may approve a waiver valuation exceeding the $15,000 threshold, up to $35,000, if the agency acquiring the property rights provides a property owner with the option of having the agency appraise the property rights. ***We view this approach as a substantial savings in cost to the City.***

Paragon's appraiser will appraise the necessary permanent and temporary property rights required for the Project. Valuations will include a determination of the Highest and Best Use of Properties, an analysis and determination of the "larger parcel" (as defined by: Use, Contiguity, Common Ownership) as well as severance damages, if applicable to partial acquisitions. All appraisals will be in compliance with Caltrans requirements and USPAP (Uniform Standards of Professional Appraisal Practice). Additionally, appraisals will receive formal review in conformance with Caltrans policy. For the proposed Project, Paragon will ensure that each appraisal is reviewed by a qualified review appraiser and who will prepare a Review Appraiser Certificate. Noteworthy of consideration for valuation/acquisition/design coordination in this Project will be

larger parcel questions, significant impacts, loss of access, and full before and after appraisals which could be required.

ACQUISITION TASKS

Paragon's team of acquisition agents will contact and negotiate in good faith with the property owner, owner's agent, tenants and/or lessees (as required and appropriate) at appointed times convenient for them to present the formal written offer. The offer will be delivered in person, and the agent shall explain the relevant details of the acquisition. Most of the property owners are in the Palmdale area and the surrounding region. However, we have identified one property owner in another state (New York, NY), and to whom Paragon will prepare a certified mailing of the offer.



Paragon will prepare Receipt of Offer packages which list in detail all components of the offer delivered to the Owner. A thorough Quality Assurance /Quality Control (QA/QC) will be performed by the QA/QC Manager. The Acquisition agents will make contact either telephonically or in personal with Owners or their representative, (a minimum of three contacts) from the date the offer is tendered until the signing of a purchase and sale agreement. Paragon takes pride in its ability to successfully negotiate property and property rights agreements and settlements. Good interpersonal skills, a sound understanding of the facts and issues, and technical prowess, serve to optimize successful negotiating outcomes. In total, Paragon has acquired some 211 property interests on ACE's behalf. There have been only four acquisitions that resulted in an eminent domain trial verdict. Stated differently, 98% of ACE acquisitions undertaken by Paragon have been successfully negotiated. Moreover, 83% of all acquisitions were consummated by Paragon without referral to ACE legal counsel for the initiation of eminent domain proceedings. The construction of grade separations requires intensive railroad coordination. ***Paragon has interfaced and worked with Union Pacific Railroad, Burlington Northern Santa Fe, and Southern California Railroad Authority on multiple projects including the Alameda Corridor, ACE, Metro, High Speed Rail and the Ports of Los Angeles and Long Beach.***

UTILITY COORDINATION

Paragon's team will prepare and issue Facility Map Requests (FMR) to utility owners requesting current information (as-built' plans/facility mapping) for any existing facilities and planned future work within the proposed project limits. When received, we will provide the 'as-built' data to City to plot on a preliminary Utility Plan. Once a preliminary Utility Plan has been compiled, City will provide to Paragon for quality review of the preliminary Utility Plan and issue a Utility Verification Letter (UVL) to the utility owners for the owner's review for correctness of the description and depiction of the utility facilities delineated on the preliminary Utility Plan.

To support 60% design level, Paragon will prepare and issue the Relocation Claim Letter (RCL) to each utility owner in conflict. Paragon's team will collect the Utility Relocation Plans and submit to City for review. Once the final Utility Relocation Plans have been approved, Paragon's team will prepare the Notice to Owner (NTO) for approval and issue the NTO to utility owners in franchise. For any utility owners not in franchise, Paragon will coordinate with the affected utility owner and City to develop any necessary Utility Agreements (UA). Once any necessary UAs have been approved and executed, Paragon will issue NTOs to those utility owners. If utility relocations cannot be completed prior to construction, then utility owners' relocation work will need to be coordinated with the Project staging plan and performed concurrently with construction. It is the responsibility of the utility owner to obtain all Local Public Agency (LPA) permits necessary for any relocation. Paragon's team can assist utility owners as necessary to obtain LPA permits.

Paragon's team is prepared to obtain utility certification documenting that utility interests have been secured and that all utility coordination activities were conducted in accordance with the applicable policies and procedures. During this process, Paragon will coordinate and attend certification planning activities and meet with the City, project partners, and stakeholders to determine project requirements. Paragon's team will prepare the utility Liability Package that will include the Report of Investigation form and compilation of the necessary backup documents. The Liability Package can include signed approved relocation plans, owner's liability claim letter, owner's estimate of cost, a copy of the proposed Utility Agreement, a copy of the proposed Notice to Owner, and any other relevant supporting documents. Paragon will evaluate utility submittals for correctness and consistency prior to Caltrans review and approval as part of the Project Certification process.

THE PARAGON TEAM HAS EXTENSIVE AND CONTINUAL EXPERIENCE WORKING WITH UNION PACIFIC RAIL ROAD AND METROLINK FOR PAST AND PRESENT PROJECTS

Southern California Edison (SCE) activities will be on the critical path of the overall utility relocation schedule due to their extensive and lengthly design requirements and the sequential nature of their internal review and design processes. Preparation, coordination, and acceptance of these documents are prerequisites for SCE to begin their internal engineering and scheduling. Any delays or revisions in these materials will directly affect SCE's start date and, therefore, the overall utility relocation critical path.

RAILROAD CORRDINATION

Paragon is currently working on two active projects with the City of Palmdale and has a good understanding of the acquisition process for UPRR, LA Metro, and Metrolink. Paragon's team has the depth of expertise and resources to engage Union Pacific Railroad (UPRR) and LA Metro in the process of securing required TCEs, Aerial Easements, abutment easements, which may be required on the two railroad properties integral to the Rancho Vista Boulevard Grade Separation Project, while meeting or exceeding the City's expectations for quality, cost, and schedule attainment. UPRR has a 'timely' and rigid procedural process that needs to be followed to obtain right-of-way clearances for construction purposes. Paragon's team is intimately familiar with railroad coordination. The application review time can take several months, which is why it is important to begin the application review process as early as possible to avoid delays in the project schedule. Paragon is also familiar with Construction and Maintenance Agreements generally used for projects such as this.



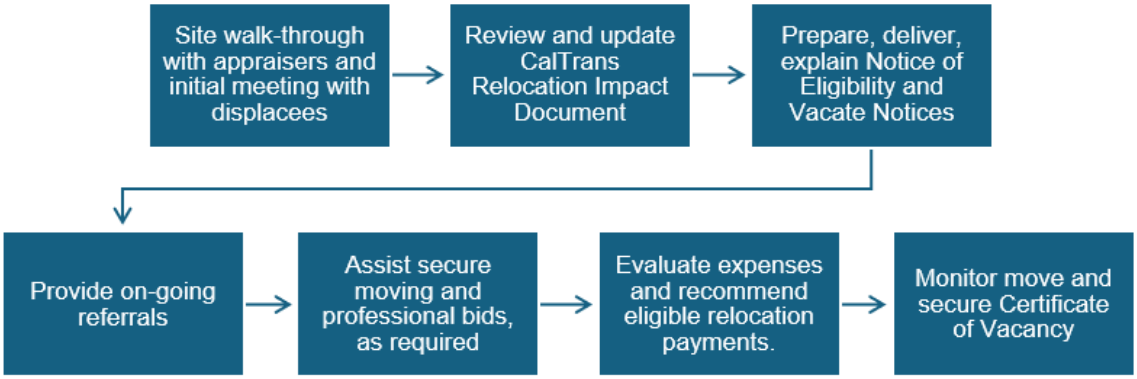
APN: 3022-024-902 (LA Metro) View of Aerial Easement Area

The following steps illustrate a progressive approach to railroad coordination, wherein Paragon will:

- Engagewith railroad real estate personnel, project and possibly engineering staff to review project plans and impacts to railroad operations; determine the decision maker(s) for this region at the railroad.
- Coordinate with railroad personnel to ensure all steps of the application review process are being met. Obtain copies of UPRR's standard Construction, Operations & Maintenance Agreements (C&M Agreements) that will likely serve as the main agreement between the City and the railroad.
- Constantly monitor the progress of the Project as it impacts the railroad operations.

While LA Metro is the underlying fee owner of the subject parcel, Metrolink currently operates train service on the properties. Before Metro can consider any offer, it is necessary that Metrolink review and approve the project plans first. Paragon is familiar with the necessary steps required to review project plans and impacts to railroad operations and is therefore prepared to coordinate with railroad real estate and engineering staff. As an aside, Metrolink's Chief Strategist is Paragon's Corporate Broker's tennis partner. This relationship shoud be beneficial.

RELOCATION ASSISTANCE IMPLEMENTATION



The scope of work identifies the full-fee acquisition of two parcels. One of the two parcels contains a commercial strip center. The strip center is occupied by five (5) commercial business tenants. Relocation advisory and relocation assistance will be required for each commercial tenant on the property. ***Paragon recognizes the complexity of relocating businesses and the added challenges associated with relocating a liquor store, a franchise restaurant, and a dry-cleaning business.***

Dionisio Marquez, our Relocation Manager, will ensure that all displacees begin to receive relocation advisory services at the time of appraisal field services. The relocation agent will accompany the real estate and furniture, fixtures, and equipment appraisers during their field inspection. The participation of the relocation agent at this critical junction helps alleviate tenant concerns and will address possible future conflicts between improvements pertaining to reality (IPR) and real estate.

Paragon will also recommend the use and issuance of the Notice of Intent to Acquire during the appraisal process. This step will provide as much lead time as possible to the impacted businesses. Paragon knows that some of the impacted businesses will require permits and licenses from local planning departments, health departments, and state agencies such as the California Alcoholic Beverage Control Department.

The Paragon relocation team will provide a comprehensive relocation assistance program tailored to each business displaced by the Project. Services will be provided in such a manner to ensure that consistent and fair treatment is given to each displacee. This will include conducting personal interviews to obtain operational information; providing and explaining notices and informational brochures; being responsive and addressing each situation individually. ***Our overall and relocation assistance process is designed to minimize hardship and be responsive to unique project circumstances.*** This includes evaluating property improvements and personal property for each business, observing business equipment and making inquiries as to use and function, and gaining an understanding of the business operation.

Paragon's Relocation Agents will ensure that relocation efforts conform to the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601 et seq.) and the California Relocation Act (Gov. Code 7260 et seq.) and the applicable implementing regulations and guidelines, including the CalTrans Right of Way Manual.

Paragon will provide the required relocation notices including the General Information Notice, Notice of Eligibility, 90-Day Notice to Vacate and Relocation Informational Brochures. Agents will work with the displacee by providing referrals to alternative sites for consideration. Agents will further assist the displacee by obtaining moving bids and providing information to the extent of the financial assistance available to aid with the cost of moving and successfully relocating the business from their current location to a replacement location. Once a replacement site is selected, Agents will help the displacees plan and complete their move. Relocation agents will also calculate eligible relocation expenses. Agents will complete relocation claim forms for the displacee's signature and submit to the City for approval, processing and payment.

ESCROW COORDINATION

Once a settlement agreement has been reached with a property owner, Paragon will assist in moving the escrow towards file closure. ***Paragon will also assist the owner with completing the documents, and if required, obtain partial and full reconveyances or subordination agreements from existing lenders.***

CALTRANS RIGHT OF WAY CERTIFICATION

THE PARAGON TEAM HAS EXTENSIVE AND CONTINUAL EXPERIENCE WORKING WITH CALTRANS DISTRICT 7 ON GRADE SEPARATION PROJECTS OVER THE LAST THREE DECADES.

We will coordinate with Caltrans and prepare all of the necessary certifications, as required pursuant Chapter 13, Section 13.10 of the Caltrans Local Assistance Procedures Manual, and ensure that all schedules of right of way certifications are met before the Project proceeds to construction. As soon as the Project is underway, we will work with the City and all stakeholders to begin the right of way certification process, which includes gathering information and supporting documentation for the following:

Right of way mapping with the square footage calculations of the partial acquisition easements and type of estate to be acquired;

- Appraisal documents;
- Appraisal review documents;
- Signed contracts and conveyance documents;
- Administrative settlements, when required, and;
- Environmental documentation

Upon obtaining the necessary right of way documents for the Project, a **FINAL** comprehensive Right of Way Certification package will be forwarded to Caltrans District 7 office for review and approval

PROJECT CLOSEOUT

We will coordinate with the City to ensure that all pertinent real estate records relating to valuation, acquisition, relocation planning/assistance, property management, eminent domain, etc. are complete and submitted to the City in both hard copy and electronically. These relevant records as well as parcel files will be maintained by Paragon for a minimum period consistent with the City records retention requirements. Records may also require audit by Caltrans, FHWA, etc. If that should occur, we will support the process as directed by the City. ***To date, Paragon's Grade Separation Project right of way work has been subjected to two FHWA audits. The outcome of each of these audits was "No Findings".*** In cases where the City has acquired property that is later deemed excess to Project needs, we will appraise, market, and sell these properties on the City's behalf – consistent with California's updated Surplus Land Act dictates. Appropriate coordination and notification will occur with Caltrans and funding agencies to ensure that the City may use proceeds from property sales for other qualifying projects.

QUALITY ASSURANCE/QUALITY CONTROL

We will ensure that contact with each property owner or tenant for each individual parcel or unit is accurately documented, maintained and made available to the City during throughout and at the end of the project. The Acquisition Agents will record detailed entries by the following business day; the Project Manager and/or the QA/QC Manager, will complete consistent reviews of file entries or logs for accuracy and completeness. Any changes in phone number, address, email, are immediately noted in the agent logs. The QA/QC Manager will also review offer packages before they are sent to the property owner, as well as close-out documentation per parcel for accuracy and completeness.



Paragon is committed to the idea that good quality assurance and quality control measures are the result of quality planning, technical review, quality checks, and work performance. Paragon team members are to perform all ROW activities, under Paragon's scope, in accordance with the quality assurance practices. All Paragon staff shall be responsible for the implementation of the quality assurance and quality control measures throughout the term of the Project.

ADDITIONAL SERVICES AS NECESSARY

EMINENT DOMAIN COORDINATION

We will interface and coordinate with the City's legal counsel for real estate transactional and eminent domain case filings and case prosecution, as appropriate and required. For occasions where an impasse in negotiations is encountered or for strategic reasons we may recommend adoption of a Resolution of Necessity. We will also prepare all attendant documentation such as; Notice of Public Hearings, Resolutions, Staff Reports, along with requisite presentation material. We will also be available to participate in mediations and depositions requisite to bringing about negotiated settlements. Our staff will also provide input and evaluations as it pertains to expert witness selection, trial strategy, and settlement proposal receptivity - all of which we have extensive experience with.

PROPERTY MANAGEMENT

If required, Paragon will provide both interim and long term property management. We will undertake all measures to ensure that the property is secured. Measures include window/door board-up, fencing, door lock resetting/replacement, and notification to local law enforcement and City personnel. For those properties that will require the demolition of improvements, we will undertake building surveys to ascertain the presence of hazardous material such as Lead Paint and Asbestos. In the event the Project temporarily creates revenue generating assets, such as rented facilities, staff will administer leases collect rents, be responsible for landlord/tenant relations and provide overall management to leased facilities.

ENVIRONMENTAL SITE ASSESSMENT

Two properties have been identified as full-fee acquisition. In cooperation with the City, Paragon will secure a Phase I Environmental Site Assessment to determine the likelihood of contamination on the properties. A Phase I Environmental Site Assessment is a due diligence process to identify potential contamination on a property as it is crucial for real estate transactions to protect buyers from liability by reviewing historical records and conducting site inspections.

DEMOLITION & CLEARANCE SERVICES

Paragon will coordinate the necessary demolition and clearance activities in accordance with Caltrans procedures. All improvements and personal property will be carefully inspected to determine whether the improvements should be sold, demolished or removed. These activities will be done in an orderly and cost efficient manner. Paragon ensures that all activities are performed for Project close out.

SCOPE OF WORK DELIVERABLES

TASK	DELIVERABLES
Project Management	• Kick-Off meeting with the City to discuss project details, concerns, budgets and overall approach • Implement strategic steps to meet goals and timelines • Prepare and implement an effective project management plan • Meet with the City on a regular basis to report progress of expected deliverables, including the identification of critical project action items • Conduct research and analyses to support the goals and objectives of the project • Monitor and update project schedules • Participate in project and public meetings, as required • Implement strategic steps to meet goals and timelines • Prepare and implement an effective project management plan • Conduct research and analyses to support the goals and objectives of the Project • Manage and maintain thorough QA/QC of all acquisition plans, case files, and parcel diaries
Title	• Preliminary Title Reports (40) • Exception Reports (40)
Appraisal	• Notice of Intent to Appraise • 23 Appraisal report and summary statement covering 26 parcels • Waiver Valuation Report for 14 Parcels • FF&E Appraisal • 23 Appraisal Reviews covering 26 Parcels with accompanying formal review reports
Acquisition	• Offer Packages (37) • Acquisition agreements for each transaction • Executed deeds for each property interest transfer • Parcel files (40)
Escrow Coordination	• Escrow documentation and final settlement statement • Escrow refund check • Final recorded deeds
Environmental	• Two Phase I Environmental Site Assessment Reports
Relocation	• Review/ update CalTrans Relocation Impact Document • Issue Notice of Intent to Acquire • Tenant Interviews • Issue Notices of Eligibility (5 known) • Obtain Bids/Move Coordination • Issue 90-day Information Notice • Relocation claim packets • Certificate of Vacancy • Closed Relocation Files
Utility Coordination	• Utility Research and Preliminary Utility Plans • Utility Relocation Coordination and Utility Plan Sheets • Utility Agreements, as appropriate • Caltrans Utility Certification, including High/Low risk assessment
ROW Certification	• Caltrans ROW Certification acceptable to Caltrans District 7

An aspect of Paragon's ability to manage risk (Budget, Schedule, Political) well stems from the evaluation and assessment of risk. Accordingly, Paragon uses a risk register to better and more timely project risk.

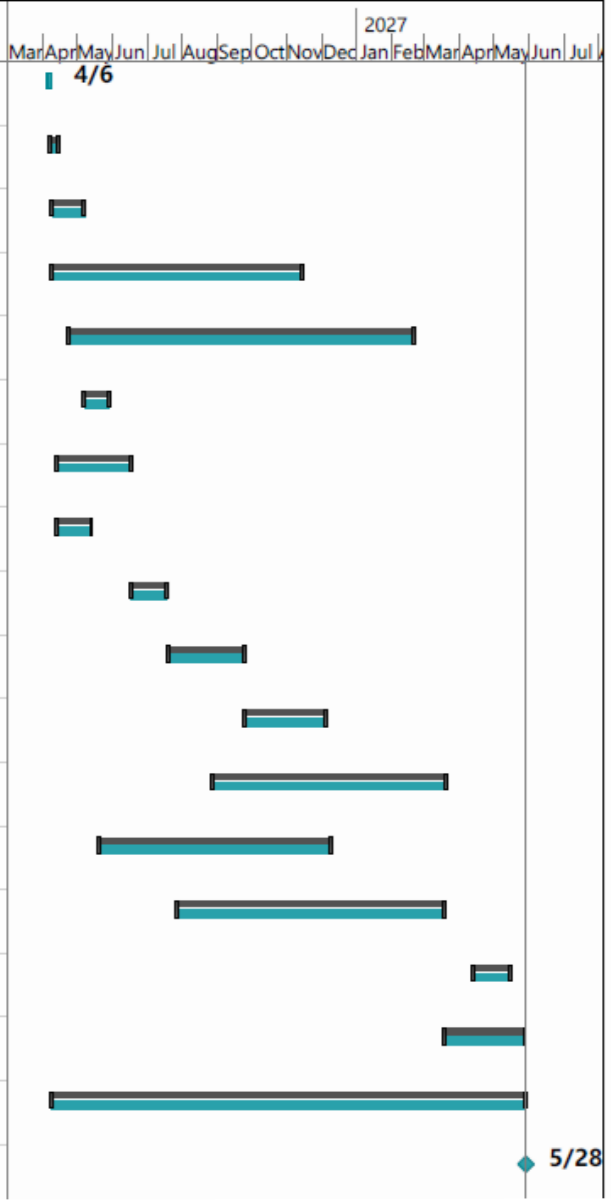
PARAGON
A CLS COMPANY

Initial Project Risk Register with Mitigation Action

Risk #	Date Raised	Risk Description	Likelihood of the Risk Occurring	Impact if the Risk Occurs	Risk Owner (Person/Entity responsible to manage risk)	Next Step(s) (Action to mitigate or eliminate the risk, e.g. reduce the likelihood)
1	2/19/2026	Delay in obtaining C&M Agreement(s) from UPRR/Metrolink and LA Metro could impact the project construction schedule as a result of delay in the securing the ROW Certification from Caltrans.	Moderately	High	Paragon Team	Engage UPRR/Metrolink and LA Metro early in the process to ensure all steps of the application review process are known, understood, assigned, etc.
2	2/19/2026	Delay in completing utility relocations could impact securing the ROW Certification from Caltrans	Low	Moderately	Paragon's Subconsultant Team	Early and often interaction with each utility representatives to review critical path items to ensure the utility relocation schedules and deliverables are maintained and followed.
3	2/19/2026	Delayed displacement of the Liquor Store and Dry Cleaners could impact overall project schedule, and construction as a result of long lead times for obtaining liquor license and necessary permits from local agency.	Low	High	Paragon Team	Engage the non-residential displacee(s) early in the Project to ensure that each displacee understands their benefits and the relocation process.
4	2/19/2026	Delay in obtaining the ROW Certification could impact the securing the necessary project funding, and construction schedule.	Low	High	Paragon Team	Begin initial discussions with Caltrans District 7 early in the Project to review the Project requirements and highlight areas of interest in the ROW Certification.
5	TBD	TBD	TBD	TBD	TBD	TBD

City of Palmdale
Right-of-Way Engineering Services
for
Rancho Vista Boulevard Grade Separation
Project No. 527A

ID	Task Name	Duration	Start	Finish
1	Notice to Proceed	1 day	Mon 4/6/26	Mon 4/6/26
2	Project Planning and Coordination	5 days	Tue 4/7/26	Mon 4/13/26
9	Title Services	20 days	Thu 4/9/26	Wed 5/6/26
12	Railroad Property Coordination	154 days	Thu 4/9/26	Fri 11/13/26
18	Utility Relocation Coordination	211 days	Thu 4/23/26	Thu 2/18/27
29	Environmental Site Assessment	15 days	Thu 5/7/26	Thu 5/28/26
31	Property Appraisals	46 days	Mon 4/13/26	Tue 6/16/26
36	Waiver Valuation Process	22 days	Mon 4/13/26	Tue 5/12/26
39	Appraisal Review	22 days	Wed 6/17/26	Fri 7/17/26
43	Property Acquisition/Negotiations	48 days	Mon 7/20/26	Thu 9/24/26
48	Escrow Coordination	50 days	Fri 9/25/26	Fri 12/4/26
50	Condemnation Support	144 days	Thu 8/27/26	Fri 3/19/27
54	Caltrans Right of Way Certification	141 days	Wed 5/20/26	Tue 12/8/26
59	Relocation Assistance	165 days	Mon 7/27/26	Wed 3/17/27
68	Property Management	24 days	Tue 4/13/27	Fri 5/14/27
71	Project Closeout	51 days	Thu 3/18/27	Thu 5/27/27
75	Project Management	293 days	Wed 4/8/26	Fri 5/28/27
79	Project Complete	0 days	Fri 5/28/27	Fri 5/28/27



PROJECT UNDERSTANDING

The City of Palmdale is soliciting proposals from right of way consultants to secure and certify the right of way for the construction of the Rancho Vista Boulevard Grade Separation Project. The City of Palmdale is proposing to construct the railroad grade separation of Rancho Vista Boulevard at both Sierra Highway and the double-track at-grade crossing of the Southern California Regional Rail Authority (SCRRA) Metrolink and Union Pacific Railroad (UPRR) tracks. The project consists of a six-lane grade separation (overpass) of Rancho Vista Boulevard at its intersection with the railroad tracks east of Sierra Highway, to include access ramps to Sierra Highway. Paragon understands that the City seeks to acquire property rights from 37 property owners covering 40 parcels in support of the Project. Paragon's experience, understanding of grade separation projects, capable professional staff, and proven management processes will ensure success of entire right of way process for the Rancho Vista Boulevard Grade Separation Project.



APN 3022-001-011, This parcel is improved with an industrial business. It was determined that an only a temporary construction easement was required. Paragon understands that importance of mitigating the impacts to the businesses during the construction duration. The construction contractor can manage the construction in a way to always allow continued ingress and egress on the property.



APN 3005-004-099, This parcel is commercial vacant land. It was determined that a partial fee acquisition and a temporary construction easement was required on the parcel. While the property is currently vacant, it is crucial to engage with the property owner early in the process to ensure that the proposed acquisition does not impact future development plans for the parcel.

RELEVANT PROJECT EXAMPLE

The initial review of the **McKinley Street Alternative 2 Connector Road Option** – loop connector road design element, revealed a striking similarity to the Puente Avenue Grade Separation Project and the Nogales Street at Valley Blvd. Grade Separation Project Paragon Partners has successfully completed for the Alameda Corridor East Construction Authority (ACE). The design for Puente Avenue also had a loop connector. This project required the acquisition of 26 parcels and the relocation of 9 businesses and 5 residences. More importantly, special considerations were made for the businesses that remained in the Project location while the Project was under construction. Similarly, the McKinley Street project alternative shows that the Outback and Denny's restaurants will remain while other surrounding businesses are demolished to facilitate construction of the loop connector road. Paragon will work closely with businesses to thoroughly understand their particular operational and essential aspects (signage, visibility, access, etc.) for the purpose of developing customized solutions to Project impacts. Paragon has a wealth of experience in dealing with these very issues. Specifically, Paragon has been wholly responsible for full service right of way for over a dozen grade separation projects in Southern California. The **Nogales Street at Valley Blvd. Grade Separation Project** also included a loop connector road. Numerous established businesses were adversely impacted and needed to be relocated. Namely, there was a faith based church, a liquor store,

a gasoline service station, a bar, along with other commercial enterprises. Paragon negotiators acquired requisite real and personal property rights and managed the careful, timely, and successful relocation of all the impacted commercial enterprises. Paragon has assembled a team which has worked together on the completion of many grade separations, from preliminary engineering through construction management and the ultimate marketing and sale of excess remnant land. The Paragon team has the title experts, MAI appraisers, and specialty appraisers including Railroad, Fixtures & Equipment, Leasehold Bonus Value, Improvements Pertaining to the Realty, and Business Goodwill. Our management team works diligently and cohesively through the valuation, acquisition, relocation, and property management real estate phases with a thorough understanding and immense experience with grade separations – with Caltrans oversight.



Nogales Street at Valley Blvd. Grade Separation Featuring the Loop Connector Street Transition



Puente Avenue Grade Separation which Included a Connector Road and Preserved a Viable Long Standing Business

RELOCATION UNDERSTANDING

As previously noted, the project requires the acquisition of a commercial strip center property and the five commercial businesses that occupy it. Paragon performed a site visit on January 13, 2026, and identified the following occupants: Kwik Stop Liquor & Market, Louisiana Famous Fried Chicken, Lee's Hair Boutique, Expert Textile Restoration & Dry-Cleaners Inc., and Diamond's Beauty Supply. Three of these businesses will require substantial time, coordination and collaboration in order to successfully relocate the businesses and minimize potential loss of business goodwill claims and litigation.

Kwik Stop Liquor & Market is fully licensed liquor store that is allowed to sell all types of alcoholic beverages for off-site consumption (Type 21) and therefore encounters many challenges, starting with available sites. Typically liquor stores do not move or go out of business, so there is a high probability that once a replacement site is located, the business will need to secure a Conditional Use Permit from the Palmdale Planning Department. The relocation of the business will also require obtaining a premise-to-premise transfer from the California Department of Alcoholic Beverage Control.

Louisiana Famous Fried Chicken is franchise restaurant. The relocation of this business will need to conform to franchise contracts. In many instances the franchise agreements limit the areas of operation which will add a layer of complexity to selecting a location. The business will need to secure permits from the Palmdale Planning Department and Los Angeles County Department of Public Health – Environmental Health Division.

Expert Textile Restoration & Dry Cleaners Inc. is a dry-cleaning business. Dry cleaning businesses require zoning clearance as well as environmental permits from the local Air Quality Management District and the Los Angeles County Sanitation District. Depending on the age of dry-cleaning equipment there may be a need to modify or substitute the equipment to comply with current Airborne Toxic Control Measures.



Kwik Stop Liquor 3

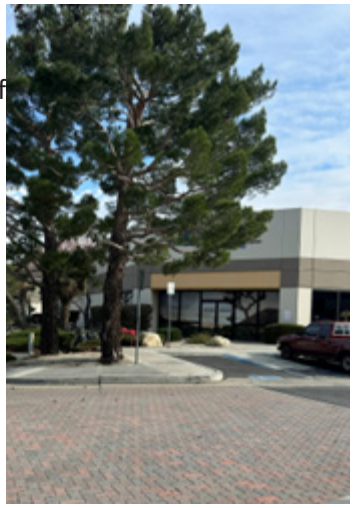


Louisiana Famous Fried Chicken, Expert Textile Restoration, and Dry-Cleaners Inc.

SPECIAL ISSUES AND POTENTIAL MITIGATIONS

Paragon has researched project information, examined right of way exhibits and has visited the project area to understand potential issues that, if not adequately planned for and addressed, could surface as concerns when dealing with the property owners and tenants of impacted properties. Paragon's team prepared a preliminary assessment of the properties impacted by the Rancho Vista Boulevard Grade Separation. We have studied the 40 parcels and 8 businesses that are anticipated to be impacted along with possible issues that may be addressed by the property owners and tenants.

Driveway Access or Ingress/Egress Limitations: For more than one of the Project impacted parcels, property acquisitions and construction may impact the ingress/egress (driveway aprons), thus having an adverse impact on the flow of automobiles and trucks to and from businesses along Rancho Vista Boulevard. While the scope of work identifies these parcels as requiring a Temporary Construction Easement only, there will still be limited impacts to the businesses for the construction duration. Alternative construction hours so driveway access can be maintained during general business hours to allow for continued access to the property. If normal business activity includes truck deliveries at night, protocols can be established to assure site access to the business. Driveways can be trenched and covered with steel plates, engineered to support the weight of trucks including semi-trailer trucks.



APN:3022-011-016 – View of Driveway and Temporary Construction Easement Area

ORGANIZATIONAL CHART

Our proposed right-of-way professionals have extensive industry experience and represent all disciplines involved in real estate right-of-way consulting. **Mark Mendoza will serve as Principal-in-Charge,** providing executive oversight and strategic guidance for the project. He will ensure quality, compliance, and alignment with client objectives while supporting the team and facilitating timely decision-making. **Colin Valles will serve as Project Manager,** leading a skilled team of professionals who will leverage their extensive experience and expertise to ensure the successful delivery of this contract. **Colin will be the City's main point of contact.** Resumes of key staff are included on the following pages.

*KEY TEAM MEMBERS

*** PRINCIPAL AND CORPORATE BROKER**
MARK T. MENDOZA, MRED

*** PROJECT MANAGER**
COLIN VALLES

*** QA/QC MANAGER**
CHERYL DEMUCCI, SR/WA, R/W-RAC

ROW/ACQUISITION	RELOCATION	TITLE
*** DAN AKINS, MRED** Principal Acquisition Agent	*** DIONISIO MARQUEZ, R/W- RAC** Relocation Manager	**BRETT BROWN** Title Agent
WALT D. LAUDERDALE, JR. Principal Acquisition Agent	**LAURA MASCARENAS** Relocation Agent	**ROB HARDIN** Title Agent

PROJECT COORDINATOR/CONTROLS/PUBLIC OUTREACH

VICKI JONES Project Coordinator	**JOYCE MONACO** Project Controls	**ROBBY RIGGS** Public Outreach Coordinator

SUBCONSULTANTS

APPRAISAL THOMPSON &THOMPSON	**ROW ENGINEER** PARSONS	**ENVIRONMENTAL** TERRACON
APPRAISAL REVIEW SCOTT ENTERPRISES APPRAISAL	**SURVEY** D. WOOLLEY & ASSOCIATES	**TITLE REPORTS** COMMONWEALTH LAND TITLE
FF&E APPRAISAL DMA		**UTILITY COORDINATION** EPIC LAND SOLUTIONS



MARK T. MENDOZA, MRED
PRINCIPAL/CORPORATE BROKER

Mark Mendoza has 40 years of practical experience in real estate program management, real estate acquisition, relocation assistance, public infrastructure projects, real estate administration, and public policy. As a Southern California native, he started his real estate career working for the County of Los Angeles, then went on to work as a Principal Negotiator for LA Metro Real Estate and Joint Development Department (formerly known as LACTC), and led the Real Property department for the Metropolitan Water District of Southern California before joining Paragon. As Senior Vice President, Mark manages and directs a varied set of challenging right-of-way public projects in California.

EDUCATION

Master of Science, Real Estate Development (MRED), University of Southern California, School of Urban Planning & Development

Bachelor of Science, Business Administration, concentration in Real Estate Finance and Urban Economics, University of Southern California

CERTIFICATIONS & LICENSES

Licensed California Real Estate Broker, No. 01445764

PROFESSIONAL AFFILIATIONS

Commissioner, County of Los Angeles Citizens Redistricting Commission - Resides in 5th District

Alameda Corridor Transportation Authority (ACTA) Relocation Appeals Board, Panel Member

National Association of Realtors, Member

Orange County Association of Realtors, Member

40
YEARS OF EXPERIENCE

RELATED EXPERIENCE

CALIFORNIA HIGH SPEED RAIL AUTHORITY | HIGH SPEED RAIL PROJECT

Mark was the project director, overseeing Paragon's right-of-way acquisition services for multiple segments of the project. He provided leadership to the team and identified and overcame project constraints in order to meet the project established goals, following compliance with state and federal regulations.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY | WEST VALLEY CONNECTOR, BRT PROJECT

Mark is overseeing the right-of-way acquisition, relocation, property management and demolition of Segment 3 of the Bus Rapid Transit Project. He provided mitigation strategies to best manage the Agency's financial resources and lessen impacts to property owners. Mark ensures that Paragon's team follows FTA circulars and California state regulations.

ORANGE COUNTY SANITATION DISTRICT (OCSD) | RIGHT-OF-WAY AND PROPERTY MANAGEMENT SERVICES

Paragon provides right-of-way management to OCSD to improve the monitoring of its properties, better manage risk, maximize license and lease revenues, and reduce costs. Mark managed the rights analysis for over 400 miles of OCSD trunk lines. He worked with Paragon's title department to review all interests owned by OCSD for pipeline, trunk systems, pump stations, sewers, easement grants, railroad crossings, flood control permits, Caltrans encroachment permits, and rights pursuant to the State of California Health and Safety Code Section 6518.

ALAMEDA CORRIDOR–EAST CONSTRUCTION AUTHORITY (ACE) | GATEWAY TO AMERICA PROJECT

Mark is the real estate program director responsible for the planning, coordination, and supervision of turn-key right-of-way services for the Alameda Corridor-East (ACE) Construction Authority for the "Gateway to America" Project. In his role, he managed 14 grade separations and rail improvements at 55 Union Pacific Railroad grade crossings from East Los Angeles to the City of Pomona. He managed a team that provided appraisal, acquisition, relocation, title/escrow, and property management services, in addition to obtaining Caltrans Right-of-way Certification of all projects.

LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS | ON CALL REAL ESTATE AND PROPERTY MANAGEMENT SERVICES

As Right-of-way Project Director. Mark provided the County with as-needed real estate services for more than 17 years. He worked with the County of Los Angeles Chief Executive Office to provide Property Management/Lease Negotiation Services for more than 100 properties for the County's Department of Public Works. He managed a team which coordinated with the Leasing

MARK T. MENDOZA | PAGE 2

Section Chief, determined and confirmed if the Departments should remain in their current locations, prepared Broker's opinion of values, and proposed lease terms and rental rates. Mark managed a team which provide real estate services for the acquisition of a new location for the County's Fleet and Workforce Support Division operating at the Hollydale Yard facility. Paragon's team coordinated with the County staff to identify site and operational requirements for a replacement facility. His team developed a scope of work, divided into phases, and established a project timeline with milestones for key deliverables.

JURUPA COMMUNITY SERVICES | WATER FACILITY EXPANSION | PROJECT DIRECTOR

Mark is the project director, overseeing projects for the Jurupa Community Services water expansion projects. He is working the agency in providing oversight of title research, valuation services and acquisition services.

CITY OF FONTANA | SIERRA AVENUE WIDENING PROJECT

As Project Director, Mark provided oversight for Paragon's services for the acquisition of 77 parcels impacted by this project. In his role, he worked with the City to identify cost-saving strategies and implement structured approaches to acquisition and negotiation, including obtaining cost-saving waiver valuations for properties with minimal impacts.

CITY OF CORONA | MCKINLEY STREET GRADE SEPARATION PROJECT

As Right-of-way Program Director, Mark directed the real estate efforts for this project. His team provided right-of-way project management, including obtaining title reports and appraisal reports, and providing acquisition, relocation, and property management services. In addition to his supervisory activities, Mark worked with the design engineer to minimize property acquisition to impacted parcels.

CITY OF HIGHLAND | SAFE ROUTES TO SCHOOL PROJECTS

As Right-of-way Program Manager, Mark managed a team to acquire 40 temporary construction easements for the construction of new curb and gutters, sidewalks and driveway approaches for two federally funded safe routes to school projects. Mark recognized an alternative acquisition strategy that would compensate property owners as well as save money for the city. Paragon prepared the Right-of-way Certification and worked with Caltrans District 8 to obtain approved certification for both projects within three months.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Right-of-way Project Director. Mark provided professional consultation services and real property acquisition services for residential and commercial properties for future school sites. The following projects represent his extensive experience with LAUSD: Gratts Primary Center, Central Region Elementary Schools No. 14 & 17, and Hooper New Primary Center.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA LOS ANGELES

As Real Estate Manager, prior to joining Paragon, Mark was department manager for MWD. His responsibilities included planning, coordination, and supervision of MWD's Real Estate Services Department. The department consisted of staff members, including the appraisal and cost studies division, the real property acquisition and relocation assistance division, the property management/ asset management division, and the property annexation division. He supervised division managers, and established project budgets.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Real Estate Principal Negotiator. Prior to joining Paragon, Mark served as a principal negotiator for the acquisition of real estate, business, and personal property for Metro Rail Construction Corporation and Southern California Regional Rail Authority (SCRRA) joint projects. He was responsible for the acquisition and relocation of displaced businesses, homeowners, and tenants. He also prepared special reports and recommendations for the board of supervisors.



COLIN VALLES
PROJECT MANAGER

Colin Valles has 8 years of experience on a wide variety of projects in the public and private sectors. A licensed California real estate agent, he is skilled in obtaining the rights for public and private properties. Colin is detail oriented, with strong QA/QC skills, and is often called upon to review acquisition documents. He specializes in working with property owners to advance the progress on projects. Colin is proficient in Uniform Act and Caltrans regulations. His assignments have included managing schedules; preparing reports and offer packages; coordinating with appraisers, lenders, attorneys, and title and escrow agents; negotiating with tenants and property owners; researching market conditions and comparables; notarizing easements as a commissioned Notary; and providing high-quality relocation advisory services. Colin is a highly organized and versatile professional who can switch gears from complex communications to process-oriented deadlines easily.

EDUCATION

Bachelor of Science, Urban Planning, Arizona State University

CERTIFICATIONS & LICENSES

Licensed California Real Estate Salesperson No. 02160823

Public Notary, California

PROFESSIONAL AFFILIATIONS

International Right-of-way Association, Member

8
YEARS OF EXPERIENCE

RELATED EXPERIENCE

CITY OF PALMDALE | AVENUE P (RANCHO VISTA BOULEVARD) AT SIERRA HIGHWAY RAILROAD CROSSING IMPROVEMENT PROJECT

Paragon is currently providing right-of-way support services to the Parsons and the City of Palmdale for the Avenue P (Rancho Vista Boulevard) at Sierra Highway Railroad Crossing Improvement Project. Colin is responsible for acquiring permanent and temporary property interests from UPRR, Metro and Metrolink, and one private owner. The City is proposing to improve the intersection at Avenue P and Sierra Highway. Colin is responsible for securing appraisals, preparing offer letters and corresponding documents, and negotiating with the respective property owners.

CITY OF PALMDALE | SR-138 5TH STREET EAST TO 10TH STREET EAST PHASE 1 PROJECT

The California Department of Transportation, District 7, in cooperation with the City of Palmdale widened both Palmdale Boulevard (SR-138) and Sierra Highway from two lanes to three lanes in each direction. As project coordinator, Colin was responsible for preparing offer packages, quality control of plats and legal descriptions, coordinating meetings with property owners, and contacting property owners for follow up.

CITY OF IRVINE | IRVINE BUSINESS COMPLEX (IBC) SIDEWALK IMPROVEMENT PROJECT PHASES I & II

The project involves the construction of sidewalks, driveways, curbs, and gutters throughout the Irvine Business Complex. To accomplish this, the Paragon team is obtaining permanent and temporary construction easements from property owners, primarily of commercial ownership. Colin as the acquisition agent, meets with property owners, conducts negotiations, and secures signed documents.

CITY OF DOWNEY | LAKEWOOD IMPERIAL IMPROVEMENT

Paragon is providing right-of-way acquisition of temporary construction easements and partial property fee acquisitions from 6 property owners for roadway improvements project at the intersection of Lakewood and Imperial. As project coordinator, Colin is overseeing the coordination of appraisals, negotiations with property owners, coordination of escrow, and coordination with the City.

CITY OF LAKE FOREST | BAKE PARKWAY AT TRABUCO ROAD/IRVINE BOULEVARD

Paragon is performing right-of-way appraisal and acquisition services for a single property take along Bake Parkway from SCE ownership. Colin is responsible for communications and document control.

COLIN VALLES | PAGE 2

CITY OF LAKE FOREST | EL TORO RD AT PORTOLA PARKWAY

Colin performed a central role in the project coordination of Paragon's work obtaining preliminary title reports, coordinating appraisal reports, preparing offer packages and documents necessary for acquisition, and assisting in moving escrow towards file closure.

CITY OF LAKE FOREST | JERONIMO ROAD WIDENING

Colin is responsible for coordinating with the appraiser, negotiating with property owners, and providing escrow support. The City of Lake Forest is constructing road improvements on El Toro Road and Paragon is providing right-of-way support for the project.

SAN BERNARDINO COUNTY TRANSIT AUTHORITY (SBCTA) | WEST VALLEY CONNECTOR

The West Valley Connector Project is a 35-mile bus rapid transit corridor project running in the Counties of Los Angeles and San Bernardino. The scope of work includes full takes and partial takes, temporary construction easements, in addition to commercial and residential relocations, property management, and demolition. Colin has responsibility for coordinating with the lead and asbestos survey crews, as well as the demolition crews to ensure that buildings are demolished prior to the launch of the scheduled construction.

FEDERAL BUREAU OF RECLAMATION | SAN JOAQUIN RIVER RESTORATION PROGRAM

The San Joaquin River Restoration Program is a comprehensive, long-term effort to restore flows to the San Joaquin River from Friant Dam to the confluence of Merced River and to restore a self-sustaining Chinook salmon fishery in the river while reducing or avoiding adverse water supply impacts from restoration flows. Colin is responsible for assisting with the development of the land rights acquisition plan, scheduling meetings, preparing meeting minutes, and maintaining and updating the Microsoft Teams channels.

CITY OF INDUSTRY PUBLIC UTILITIES (IPU) | 4TH AVENUE TO TRAILSIDE DRIVE

Paragon provides right-of-way support to IPU, a municipal electric system for the City, to secure easements from several property owners. The project involves connecting a waterline from 4th Avenue to Trailside Drive in unincorporated Los Angeles County. Colin oversees the coordination of appraisals, negotiation process with property owners, escrow process, and navigates the IPU department procedures and policies.

CITY OF LONG BEACH | SR-22/STUDEBAKER ROAD INTERCHANGE

The City of Long Beach is proposing improvements to the on/off ramps near the SR-22/Studebaker Road Interchange. Paragon provides support related to the PS&E phase of the project as well as the decertification of property that is owned by Caltrans. Colin is responsible for document preparation and coordination with Caltrans for the decertification process.

CITY OF ROSEVILLE | DRY CREEK GREENWAY EAST TRAIL PROJECT, PHASE II

Paragon provided right-of-way services to the City for construction of the trail project. Colin coordinated the notices to property owners, right-of-way exhibits, and appraisal reports. He also prepared status report updates for the city to review discussions and negotiation progress with property owners.

CITY OF WHEATLAND | SOUTH YUBA REGIONAL SEWER DESIGN PROJECT

Colin provided project support for the right-of-way route analysis including obtaining right of entry permits from property owners for feasibility testing (survey and environmental) on their properties to determine selected route by engineering design team and city. He coordinated obtaining title reports, preparation of plat maps and legal descriptions and appraisal reports. He also assisted the team in obtaining required interests of 22 properties for pump stations, laydown areas and pipeline alignment.

CITY OF SANTA CLARITA | SIERRA HIGHWAY BRIDGES OVER SANTA CLARA RIVER

Paragon is providing right-of-way support to Santa Clarita for the Sierra Highway Bridge Project. Colin is responsible for communications with property owners regarding the acquisition of property rights in support of the project. He manages



CHERYL DEMUCCI, SR/WA, R/W-RAC

QA/QC MANAGER

Cheryl DeMucci is an accomplished and dynamic project manager with extensive experience overseeing the full spectrum of right-of-way project delivery—from cost estimating and appraisal coordination to acquisition, relocation, title, and escrow services. She is well-versed in the Uniform Act, Caltrans procedures, FTA Circulars and the requirements for Right of Way Certification. Cheryl is known for building effective partnerships with property owners, business onwers, tenants, developers, and community stakeholders, ensuring projects advance smoothly and collaboratively. Her strong communication and leadership abilities, paired with deep practical expertise in project management, property valuation, acquisition strategies, title research, relocation assistance, construction coordination, and local land-use processes, consistently support successful outcomes for clients.

EDUCATION

Bachelor's Degree, Journalism, University of Wisconsin

CERTIFICATIONS & LICENSES

California Real Estate Sales License, No. 01885792

IRWA, SR/WA IRWA, R/W-RAC

PROFESSIONAL AFFILIATIONS

Railway Association of Southern California, former President

Project Management Institute, Los Angeles, Member

International Right of Way Association, Los Angeles, Member

American Public Works Association, Member

Women's Transportation Seminar, Member

20
YEARS OF EXPERIENCE

RELATED EXPERIENCE

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | CRENSHAW/LAX TRANSIT CORRIDOR

As the project manager, Cheryl managed over 70 acquisitions and over 50 residential and business relocations for this light rail project. She prepared all property impact statements for Metro certification. Some of her tasks for this project included obtaining and reviewing property appraisals, goodwill, fixture and equipment appraisals, and preparing offer packages. Cheryl drafted the project's relocation plan, which was approved by the project management oversight committee for the Federal Transit Authority. She prepared all relocation notices, researched referrals, prepared claim forms for residential and non-residential tenants. Additionally, she conducted negotiations for critical path acquisition cases. In addition, she provided title, escrow coordination, and condemnation support, while helping secure right of entry from property owners for environmental testing. She displayed excellent management skills coordinating with design-build contractors, as well as outreach to property owners.

CALIFORNIA HIGH SPEED RAIL AUTHORITY | CHSR PALMDALE TO BURBANK SEGMENT PROJECT

Cheryl provided right of way support for the supplemental alternatives analysis for this segment. This involved participating in community open house meetings and community working groups to inform the public and gather feedback for detailed analysis of proposed routes. In addition, Cheryl met with property owners to answer questions about permits to enter, real estate acquisition, relocation assistance, and the eminent domain process.

CITY OF PALMDALE| PALMDALE AIRPORT TERMINAL APPRAISAL

Cheryl provide appraisal coordination and anlaysis for the Palmdale Regional Airport at Air Force Plant 42 to establish a basis for a rental rate. The high-security, government owned-contractor operated facility for the research, development, production and test of high performance military aircraft. It is the only one of its kind in the U.S.

CHERYL DEMUCCI | PAGE 2

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY |AIRPORT METRO CONNECTOR

As the project manager, Cheryl managed the relocation assistance for Hertz Corporation's LAX facility and a Clean Energy fueling station. She worked with LAWA in securing property leases for temporary move of buses and vehicles during the phased process of possession of the 11 acre site by Metro. She managed the site search and feasibility studies performed for potential locations. She facilitated the coordination of a new bus wash system at the Hertz replacement site as well as the other construction related changes required for the operations of the business.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | WILLOWBROOK/ROSA PARKS STATION IMPROVEMENT

The project involved construction of infrastructure to improve safety and security at the station. Paragon provided relocation assistance for three businesses impacted by the partial acquisition property impacted by the project. Cheryl performed negotiation of fixture and equipment with business owners and the property owner.

REGIONAL TRANSPORTATION COMMISSION OF WASHOE COUNTY | PEPPERMILL BRT ; RENO CONSOLIDATED PROJECT; PECKHAM LANE REHABILITATION PROJECT; SKY VISTA WIDENING REHABILITATION PROJECT; SPARKS BOULEVARD CAPACITY IMPROVEMENT PROJECT; TRUCKEE RIVER SHARED USE PATH PROJECT; MILL STREET COMPLETE STREETS PROJECT

Cheryl managed the valuation and acquisition services for a number of RTC projects listed above. Paragon services for these contracts have include preparation of land use compendiums, waiver valuations, preparation of offer packages, negotiations, preparation of administrative settlements, obtaining lender consents, and close-out processes.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA | ON CALL REAL ESTATE ACQUISITION, RELOCATION AND PROPERTY MANAGEMENT

Cheryl manages the on call contract which includes providing appraisal and valuation services, relocation assistance and property management. She prepared a construction mitigation report for the Second Lower Feeder Line and Pure Water projects.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | WILLOWBROOK/ROSA PARKS STATION IMPROVEMENT

The project involved construction of infrastructure to improve safety and security at the station. Paragon provided relocation assistance for three businesses impacted by the partial acquisition property impacted by the project. Cheryl performed negotiation of fixture and equipment with business owners and the property owner.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | BLUE LINE TRACK IMPROVEMENT AND SAFETY ENHANCEMENT

This improvement project required acquisition of one property. As Project Manager, Cheryl supervised right of way services including negotiations with tenants and the property owner for fixture and equipment, and providing relocation assistance to tenants, which included a manufacturing business and a billboard company.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | WESTSIDE (PURPLE LINE) EXTENSION PROJECT

Cheryl managed a team providing business relocation assistance services for a portion of the light rail project. She obtained and reviewed fixture and equipment appraisals. In addition, she reviewed and submitted relocation claims, supported the processing of payments, and provided file maintenance.

SACRAMENTO REGIONAL TRANSIT DISTRICT (SACRT) | L STREET LOW BUS FLOOR

Cheryl managed the acquisition services for the District which included preparing waiver valuation reports and securing agreements for construction.



DIONISIO MARQUEZ, R/W-RAC
RELOCATION MANAGER

Dionisio Marquez has 30 years of residential and commercial acquisition and relocation experience, serving numerous public agency clients. He has managed large-scale acquisition and relocation projects with aggressive schedules and closely managed budgets, providing exceptional service to both the displacees and agencies. He has also designed, implemented, and administered projects with FHWA, FTA, FAA, HUD, Caltrans, TXDOT, Community Development Block Grants, HOME, and the 104D guidelines. Dionisio is also bilingual (English, Spanish).

EDUCATION

Bachelor of Arts, Architecture, University of California, Berkeley

CERTIFICATIONS & LICENSES

Licensed California Real Estate Salesperson, No. 01147072

PROFESSIONAL AFFILIATIONS

International Right-of-Way Association, Member

IRWA Chapter 1, Relocation Chair, 2008-2014

DISCIPLINARY COURSES

FHWA-NHI: Real Estate Acquisition under the Uniform Act

30
YEARS OF EXPERIENCE

RELATED EXPERIENCE

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY | WEST VALLEY CONNECTOR

The West Valley Connector project is the second 100% zero emission, Bus Rapid Transit project in San Bernardino. As Relocation Manager Dionisio assists and supervises 2 Relocation Agents and one subcontractor with the relocation implementation of 25 businesses and 2 residential cases. Businesses include a liquor store, appliance store, bakery, restaurant, and several other businesses.

SAN JOAQUIN REGIONAL RAIL COMMISSION | NATOMAS/ SACRAMENTO AIRPORT STATION

The Natomas/ Sacramento Airport Station project will construct a passenger rail station and layover track in the community of Natomas as part of Valley Rail Sacramento Extension Program. As Relocation Manager Dionisio and the Paragon team are implementing the relocation program for 15 automobile related businesses.

CITY OF FONTANA | SIERRA AVENUE WIDENING

As Relocation Manager, Dionisio was responsible for preparing the relocation plan and successfully relocating the 4 displaced residential tenants associated with the partial and full acquisition of impacted parcels.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY | EXPO PHASE II LIGHT RAIL PROJECT

Dionisio's responsibilities as the Relocation Manager included overseeing and supervising the relocation of 26 businesses as part of the light rail project in the City of Santa Monica.

LOS ANGELES WORLD AIRPORTS | VOLUNTARY RESIDENTIAL ACQUISITION AND RELOCATION PROGRAM

Dionisio served as Project Manager supervising a team of two relocation agents and led the delivery of the required relocation of 179 residential tenants.

ALAMEDA CORRIDOR EAST CONSTRUCTION AUTHORITY | SAN GABRIEL VALLEY TRENCH

Dionisio served as Relocation Manager and was responsible for overseeing the relocation planning and implementation of the relocation of residential and business tenants.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES | KODAK THEATER (HOLLYWOOD & HIGHLAND)

Dionisio managed the relocation program for the TrizecHahn Academy Awards Theatre and Promenade Project. The program consisted of the relocation of various businesses in compliance with relocation regulations with a completion of time frame of 88 days.

DIONISIO MARQUEZ | PAGE 2

ECONOMIC DEVELOPMENT AGENCY OF THE CITY OF SAN BERNARDINO

Dionisio served as the project manager of one single family residence, 60 four-plex dwellings, nine vacant lots, and one burned-out four-plex building. He accomplished successful voluntary acquisitions.

PORT OF CORPUS CHRISTI, TX | HILLCREST ACQUISITION AND RELOCATION PROGRAM

As part of the US Highway 181 Harbor Bridge Replacement Project, and requiring the acquisition of 304 residential and commercial parcels over 4-years, Relocation Manager Dionisio supervised a team of 10 professionals responsible for relocating 150 residential owners, 156 residential tenants, 3 churches, a barber shop, and a convenience store. He managed the project which included QA/QC and reporting to the Port of Corpus Christi, TxDOT, and FHWA.

NEVADA DEPARTMENT OF TRANSPORTATION | NEON PROJECT

The project extends 3.7 miles along I-15 from Sahara Avenue to the US95/I-15 Interchange. It consists of a High Occupancy Vehicle (HOV) connector between US95 and I-15, direct HOV access ramps at Wall Street, reconstruction of the Charleston Blvd. Interchange and Grand Central parkway connector. Dionisio managed their relocation assistance program for over 100 residential cases.

CALIFORNIA HIGH-SPEED RAIL AUTHORITY | CALIFORNIA HIGH – SPEED RAIL PROJECT

The California High-Speed Rail Project is the first high-speed rail project in the nation. It will eventually provide rail transportation from Southern California to Northern California. The project requires the partial and full acquisition of commercial, residential, agricultural, and vacant parcels. As Senior Relocation Agent, Dionisio was specifically assigned to implement the High-Speed Rail Authority's relocation program on a variety of parcels consisting of a motel with 49 long-term tenants, self-storage facility with 23 tenants, and two vehicle repairs businesses.



DAN AKINS, MRED

PRINCIPAL ACQUISITION AGENT

Dan Akins is a highly accomplished professional with 29 years of industry experience managing right-of-way and real estate projects throughout Southern California. He has demonstrated ability to lead teams and to manage projects from inception to completion and possesses proven ability to identify and value high-potential property acquisition opportunities supported by rigorous quantitative analysis and qualitative insights. Dan has a strong track record of facilitating partnerships between property owners, investors, developers, and community stakeholders. He additionally has exceptional communication and leadership skills and advanced understanding and applied knowledge of market research, financial modeling, project management, property valuation, land acquisition, construction, entitlements, and local land use regulations.

EDUCATION

Master of Real Estate Development (MRED), University of Southern California

B.S., City and Regional Planning, California Polytechnic State University, San Luis Obispo

CERTIFICATIONS & LICENSES

Licensed California Real Estate Broker No. 1338651

29
YEARS OF EXPERIENCE

RELATED EXPERIENCE

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS (FORMERLY ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY (ACE)) | GATEWAY TO AMERICA

Dan as Senior Acquisition Agent was responsible for right-of-way acquisition services for the $1.7 billion Alameda Corridor-East (ACE) Construction Authority for the “Gateway to America” Project. The Project comprises a mix of transportation and rail improvements at 55 Union Pacific Railroad grade crossings from East Los Angeles to the City of Pomona, a distance of 35 miles. Dan provides oversight of subconsultants and interfaces with the Project client, as well as multiple San Gabriel Valley elected and appointed officials. He is also providing disposition of surplus property services for the Puente Avenue, San Gabriel Avenue Trench, Reservoir Road and Nogales Street grade separation projects.

ACE | FULLERTON AVENUE GRADE SEPARATION

Paragon provided right-of-way cost estimation, value analysis, sale of surplus property, Caltrans right-of-way certification, project management, and performed 20 acquisitions, two commercial relocations, utility relocation coordination, and obtained encroachment permits. As a result of the grade separation project, the City required additional pedestrian and safety improvements. Dan worked with property owners and tenants and the design team to create new access points to properties along Fullerton Road.

ACE | PUENTE AVENUE GRADE SEPARATION

Dan provided staff oversight of relocation activity and was involved in relocation case work with commercial uses. His duties included coordination with ACE and its stakeholders, owners, tenants, and appraisers and other subconsultants. He also provided asset and property management of multi-tenant industrial buildings comprised of the following tenant types: paper wholesale and distribution, sports apparel shipping and receiving, metal fabrication, cabinet fabrication, data processing, and lawnmower repair and sales. Additionally, Dan provided construction management services, including concrete flat-work construction for residential property owner on behalf of ACE.

ACE | FAIRWAY GRADE SEPARATION

In support of this project, Dan managed relocation and property management services, obtained cost estimates & bids, prepared contracts, met with vendors, coordinated with tenants, and conducted property inspections. Asset and property management was provided for a multi-tenant industrial park and a 699-unit self-storage facility.

ACE | SAN GABRIEL TRENCH

Dan managed the acquisition and relocation of self-storage units and a residential unit.

DAN AKINS | PAGE 2

Additionally, Dan was responsible for the acquisition of temporary rights from various commercial/industrial property owners for a roadway repaving project on behalf of ACE.

CALIFORNIA HIGH- SPEED RAIL AUTHORITY | RIGHT-OF-WAY ACQUISITION SERVICES

As Acquisition Manager, from 2021-2022, Dan directed and coordinated activities for this project to ensure that the objectives of each task were accomplished within set schedules and budgets. Dan managed scope, out-of-scope work requests, forecasting, resources, resource constraints, and project risks associated with the acquisition of permanent and temporary real property rights from more than 50 parcels.

CITY OF SAN BERNARDINO | 40TH STREET WIDENING

Dan serves as the project manager for the City's 40th Street Widening. The project requires right-of-way project management, appraisal, acquisition, and relocation assistance for 20 impacted parcels consisting of residential, commercial, and vacant properties.

ORANGE COUNTY TRANSPORTATION AUTHORITY | SR-55 IMPROVEMENT PROJECT

Dan is managing acquisition services for the widening of SR-55 SB. The project impacts 15 properties. Dan is working with OCTA to minimize right-of-way acquisitions, analyzing improvements to be appraised, and developing acquisition agreements to comply with Caltrans incentive payment program. Dan has developed innovative solutions to several challenges involved in executing this project, including working with multiple ownerships, tenant/owner coordination, and obtaining agreements within a constricted schedule.

CITY OF HESPERIA | RANCHERO ROAD CORRIDOR WIDENING AND AQUEDUCT PROJECTS

Dan served as Paragon's project manager for the project, as the final phase of a large, three-phased corridor improvement project that widens Ranchero Road along I-15 to four lanes in order to alleviate growing traffic congestion. Dan managed the acquisition of full and partial takes and temporary construction easements of 34 properties for the City's improvement projects. The work has involved expedited appraisal and appraisal reviews and Dan worked closely with agents to secure fully executed agreements for the project, along with obtaining right-of-way certification, which is early on the critical path of the project schedule.

CITY OF EL MONTE | RAMONA AND VALLEY BOULEVARD INTERSECTION IMPROVEMENTS

This project involved improvements to the intersection such as construction of landscaped medians, left-turn lanes, right-turn lane pockets, and bus turnouts. Dan supervised Paragon's work coordinating valuation of property, negotiating with property owners, and coordinating with escrow to finalize the sale and transfer of the property rights to the City.

PROJECT MANAGER/DEVELOPMENT SPECIALIST, CITY OF INGLEWOOD REDEVELOPMENT AGENCY, INGLEWOOD, CA

Dan managed the completion of 114 residential units and 50,000 square feet of industrial warehouse/R&D development. Coordinated entitlements for retail, industrial and residential (multi-family and single-family) redevelopment projects. Prepared, reviewed, and analyzed proformas to determine the amount of redevelopment assistance for commercial and residential projects. Managed a team of consultants providing legal and economic review, relocation, and environmental assessment and cleanup services for a wide range of redevelopment and economic development projects. Researched and identified land acquisition opportunities for commercial and affordable housing projects. Prepared and presented staff reports for redevelopment projects to the City Council and Redevelopment Agency Board Members. Solicited and managed the selection of development teams for commercial and affordable housing projects.

QA/QC PROCEDURES

Paragon is committed to delivering work products that meet the highest professional standards and comply with all applicable federal, state, and local regulations, including Caltrans and Uniform Relocation Assistance (URA) requirements. Our approach to QA/QC for the Rancho Vista Boulevard Grade Separation Project is structured around a Project-Specific Quality Control Plan that ensures accuracy, completeness, and certification readiness for every deliverable.

MAJOR ELEMENTS OF OUR QA/QC PROGRAM:



Project-Specific QA/QC Plan Development

At project initiation, Paragon will prepare a tailored QA/QC plan outlining review protocols, responsibilities, and documentation standards for all tasks and deliverables.

Multi-Level Review Process

Each deliverable will undergo a systematic review process:

- Engineering Design Review: Verification of technical accuracy, compliance with design standards, and integration with ROW requirements.
- Constructability Review: Assessment of feasibility and identification of potential conflicts or risks.
- Coordination Review: Cross-checking with utility coordination, appraisal, and acquisition teams to ensure consistency and completeness.
- QA/QC Control Review: Final validation by senior staff prior to submission to the City.

Compliance and Regulatory Assurance

All work products will be checked against Caltrans and URA guidelines to ensure readiness for ROW certification and funding agency audits.

Documentation and Tracking

QA/QC checklists for title review, survey, offer packages, acquisition files, escrow, relocation files, Right of Way Certification, will be maintained for each deliverable, documenting review comments, resolutions, and approvals. This ensures transparency and traceability throughout the project lifecycle.

Continuous Communication

Paragon will coordinate closely with City staff and stakeholders to address issues promptly and incorporate feedback into subsequent deliverables.

Outcome

This structured QA/QC approach minimizes errors, ensures regulatory compliance, and supports timely certification, enabling the City to meet project milestones and funding requirements.

SCHEDULE CONTROL

Paragon's Project Team understands the importance of keeping a project on schedule. We have prepared a project schedule to illustrate the representative tasks necessary complete this project. Each milestone and delivery date has been evaluated in detail to ensure a realistic approach and provide right-of-way prior to the City's construction date. Right-of-way tasks are often on the critical path of schedules. Therefore, we prioritize high risk matters and itemize any action items into smaller tasks. In the event of schedule slippage, Paragon's Project Manager will create workable solutions with the City to accelerate the schedule, such as providing additional staff or working additional hours. Where appropriate, we also rearrange project tasks to be completed in parallel instead of in sequence. By doing this, we can accelerate work on current tasks to get back on track for future tasks. In addition, we can identify future tasks that can be started earlier to make up for time.

PREVIOUS EXPERIENCE

Paragon has successfully completed numerous sewer easement projects, including the **Durfee Avenue Grade Separation in the City of Pico Rivera, for the Alameda Corridor-East Construction Authority.** The project required an innovative approach to mitigating the impact of constructing critical components of the grade separation, specifically, a series of sewer lines. For nearly 25 years, in the City of Pico Rivera, Fiesta Hall has been a landmark business serving Pico Rivera and adjacent communities. Located at 4754 Durfee Avenue, the property was originally identified as a full-take acquisition and relocation in order to allow for the necessary construction of several sewer lines and other above and below ground utilities. After various meetings with the property/business owners, it became clear to the project team that the business owners strongly opposed relocating their business. By assembling the key project stakeholders - the client, the project engineering firm, the City of Pico Rivera, and the owners of Fiesta Hall - Paragon prompted a collaborative effort to redesign the entry/access to the banquet hall property, a re-route of the sewer line easements, electrical lines, and water lines, and a modification of the on-site parking and circulation. The result was an improved overall project design with efforts redirected toward partial acquisitions in lieu of a full acquisition, which allowed Fiesta Hall to continue to serve the community and keep their staff fully employed. The result of this shift in plan direction achieved a $1.5 million savings in acquisition and relocation cost for the client and minimized the impact to the property owner and the community.





CERTIFICATION OF PROPOSAL

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Consultant, declares that: (1) this proposal is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this proposal shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents.

Consultant acknowledges receipt of all addenda, as follows:

Addendum No.	1	Date:	January 20, 2026
Addendum No.	2	Date:	February 2, 2026
Addendum No.	3	Date:	Febuary 10, 2026
Addendum No.		Date:	

Additionally, the undersigned, as Consultant, declares that: (1) Consultant has a full-time service office in Southern California; (2) Consultant has five or more years of experience performing similar work; (3) Consultant will self-perform the majority of the work; and (4) Consultant has three or more excellent references.

Consultant's Name: Paragon Partners Consultants, Inc

Signature: _____ Title: VICE PRESIDENT/CORPORATE SECRETARY Date: 02/16/25

Signature: _____ Title: _____ Date: _____

RESPONDENT'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE CONSULTANT ACKNOWLEDGES THAT HE/SHE HAS READ LIABILITY INSURANCE REQUIREMENTS OF SECTION 11 OF THE SAMPLE AGREEMENT AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE RESPONDENT TO OBTAIN THE REQUIRED LIABILITY INSURANCE AFTER THE AWARD OF CONTRACT MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE RESPONDENT.

As the Consultant's representative, I understand and agree to comply with all provisions of the Liability Insurance as required under the Sample Agreement.

Signature: William McCauley Title: Vice President/CFO Date: 2/3/2026

Signature: _____ Title: _____ Date: _____

NONCOLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the Vice Pres./CFO *(Title)* of Paragon Partners Consultants, Inc. *(Firm)*, the party making the foregoing Proposal.

The Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Proposal is genuine and not collusive or sham. The Respondent has not directly or indirectly induced or solicited any other Respondent to put in a false or sham Proposal. The Respondent has not directly or indirectly colluded, conspired, connived, or agreed with any Respondent or anyone else to put in a sham Proposal, or to refrain from Proposalding. The Respondent has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal price of the Respondent or any other Respondent or to fix any overhead, profit, or cost element of the Proposal price, or of that of any other Respondent. All statements contained in the Proposal are true. The Respondent has not, directly or indirectly, submitted his or her Proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Proposal depository, or to any member or agent thereof, to effectuate a collusive or sham Proposal, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Respondent that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Respondent.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 2/3/2026 *(Date)*, at Cypress, CA *(City, State)*

Signature: William McCawley

Printed Name: William McCawley

Date: 2/3/2026

PALMDALE

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Byrd Anti-Lobbying Amendment Certification
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

(To be submitted with each bid or offer exceeding $100,000)

The undersigned [Consultant] certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such expenditure or failure.]

The Consultant, Paragon Partners Consultants, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Consultant understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq., apply* to this certification and disclosure, if any.

Signature of Consultant's Authorized Official William McCawley

Name of Consultant's Authorized Official William McCawley

Title of Consultant's Authorized Official Vice President/CFO

Date 2/3/2026

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Certification for Suspension and Debarment
CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY and VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTION

(To be submitted with all bids exceeding $25,000)

(1) The prospective lower tier participant (Bidder/Consultant) certifies, by submission of this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) The prospective Bidder/Consultant also certifies by submission of this bid or proposal that all subcontractors and suppliers (this requirement flows down to all subcontracts at all levels) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Paragon Partners Consultants, Inc., certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official William McCawley

Name of Consultant's Authorized Official William McCawley

Title of Consultant's Authorized Official Vice President/CFO

Date 2/3/2026

PALMDALE

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CITY OF PALMDALE

REQUEST FOR PROPOSAL (RFP)

RIGHT OF WAY ENGINEERING SERVICES

FOR

PROJECT NO. 527A

RANCHO VISTA BOULEVARD GRADE SEPARATION

ADDENDUM No.1

Issued: January 20, 2026

Dear Bidders:

The following addendum is hereby made as part of the Request for Proposal for the Right of Way Engineering Services. This Addendum No. 1 includes Pages 1 through 2 and its attachments.

1. Extend Q&A Deadline and Proposal Due Date

   SOLICITATION NUMBER: PN 914
   SOLICITATION RELEASE DATE: DECEMBER 18, 2025
   Q&A DEADLINE: ~~JANUARY 15, 2026, at 2:00 P.M.~~ **February 5, 2026, 2:00 P.M.** (PST) by the electronic clock in PlanetBids (PB™).
   PROPOSAL TYPE: Electronic (E-Proposal) through PlanetBids (PB™)
   PROPOSAL DUE DATE: ~~JANUARY 29, 2026, at 2:00 P.M.~~ **February 19, 2026, 2:00 P.M.** (PST) by the electronic clock in PlanetBids (PB™)

2. Add "Attachment D – FHWA Required Federal Provisions and Certifications" to the RFP and Page 2, "Table of Contents"

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3. Replace Section 2-2 Project Funding with the following:

   - Financial assistance for the services described in this RFP will be partially provided using funds from the FHWA. Any contract and subcontract to provide the services described in this RFP will be subject to all applicable "FHWA Required Federal Provisions and Certifications" as described in Attachment D. Firms shall complete and submit all certifications provided in this attachment with their proposals.

     The City, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

4. Add to Page 11, Section 3-1 Proposal Content:

   - i) Include a completed and signed "Certification for Suspension and Debarment" and "Byrd Anti-Lobbying Amendment Certification". Refer to Attachment D.
   - j) Unique Entity Identifier (UEI). Provide the Consultant's UEI. No entity may receive a subaward until the entity has provided its UEI to the City.

5. Add to Page 15, "Checklist for Respondents", with the following:

   - Certification for Suspension and Debarment
   - Byrd Anti-Lobbying Amendment Certification"

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Sincerely,

Lee Torres, P.E.
Director of Public Works

I/we Mark Mendoza, acknowledge receipt of this addendum.

Signature

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CITY OF PALMDALE

REQUEST FOR PROPOSAL (RFP)

RIGHT OF WAY ENGINEERING SERVICES

FOR

PROJECT NO. 527A

RANCHO VISTA BOULEVARD GRADE SEPARATION

ADDENDUM No.2

Issued: February 2, 2026

Dear Bidders:

The following addendum is hereby made as part of the Request for Proposal for the Right of Way Engineering Services. This Addendum No. 2 includes Pages 1 through 2 and its attachments.

1. Update RFP Schedule, Page 9, RFP

	Milestone	Date/Time
1.	Invitation to Submit Proposals	December 18, 2025
2.	Requests for Clarifications Deadline (Q&A)	**February 5, 2026, 2:00 P.M.** (PST) by the electronic clock in PlanetBids (PB™). ~~January 15, 2026 @ 2:00 PM~~
3.	Final Addenda Issued (if required)	February 12, 2026 ~~January 22 ,2026~~
4.	Proposal Deadline	**February 19, 2026, 2:00 P.M.** (PST) by the electronic clock in PlanetBids (PB™) ~~January 29, 2026 @ 2:00 PM~~
5.	Interviews	March 9-12, 2026 ~~February16-19, 2026~~
6.	Notification of Award of Contract	April 2026
7.	City Council Award	April 2026

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2. Add to Page 11, Section 3-1 Proposal Content:

   k) DEVIATIONS and/or EXPECTIONS FORM, Exhibit E

Sincerely,

Lee Torres, P.E.
Director of Public Works

I/we Mark Mendoza, acknowledge receipt of this addendum.

Company Name
Paragon Partners Consultants, Inc.

Proposer's Legal Name
Paragon Partners Consultants, Inc.

Proposer's Legal Signature

Title Principal/Corporate Broker

5660 Katella Avenue, Suite 100, Cypress, CA 90630
Street Address

February 16, 2026
Date

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CITY OF PALMDALE

REQUEST FOR PROPOSAL (RFP)

RIGHT OF WAY ENGINEERING SERVICES

FOR

PROJECT NO. 527A

RANCHO VISTA BOULEVARD GRADE SEPARATION

ADDENDUM No.3

Issued: February 10, 2026

Dear Bidders:

The following addendum is hereby made as part of Proposal for the Right of Way Engineering Services. This addendum 3 includes the following:

1. A separate Fee Proposal is required and should be uploaded under General Attachments.
2. Revised Q&A list, including all responses updated on 2/10/2026. (Attached)

Sincerely,

Leonardo Torres, P.E.
Director of Public Works

I/we Mark Mendoza, acknowledge receipt of this addendum.

Signature

DEVIATIONS and/or EXCEPTIONS FORM

Exhibit E

[ ] Specifications and/or Requirements

[X] Contract for Services Provisions (No exceptions and/or deviations to insurance requirements allowed)

All deviations and/or exceptions to the requirements of this solicitation must be noted below. The City will consider any deviations and/or exceptions indicated in its award decisions. The City reserves the right to accept or reject any and all responses based on any deviation and/or exception indicated on this form. Respondents are cautioned that by taking any exception they may be materially deviating from the RFP. **Please do not attach a company letterhead in lieu of any entry on the section below.** In the absence of any entry on the section below, the bidder assures the City of their full compliance with the specification and conditions as listed in this solicitation. The page number, paragraph, and item number should be referenced when deviating from the specification and must be included.

The City reserves the right to reject any or all cost proposals as a result of this RFP and to waive any informality or irregularity in any bid proposal received and to be the sole judge of the merits of the respective cost proposals received, and to accept or further negotiate cost, terms, or conditions of any cost proposal determined by the City to be in the best interest of the City even though not the lowest cost proposal. **This form may be duplicated if additional pages are needed.**

Reference No. **Description**

1. **Indemnification Clause (Pg. 4, Sec. 10) – Replace with:**
    a. **"Consultant shall indemnify and defend the City, its officers, employees, agents, and boards, but only to the extent any claim, loss, damage, liability, or expense arises out of the negligent acts, errors, omissions, or willful misconduct of the Consultant or its contractors or subcontractors in the performance of this Agreement. Consultant shall not be responsible for indemnifying the City for claims arising from the negligence or willful misconduct of the City or any other indemnified party."**
2. **Satisfaction Clause (Pg. 7, Sec. 13.1) – Replace with:**
    a. **"Consultant shall correct the deficiencies in a manner consistent with applicable professional standards and commercially reasonable expectations."**
3. **Dispute Resolution Clause (Pg. 8, Sec. 14) – Replace with:**
    a. **"All claims, disputes, and other matters in question between the City and Consultant arising out of or relating to this Contract shall, to the extent reasonably feasible, be resolved through good faith negotiations. For purposes of this section, 'good faith negotiations' means that each party will participate in timely discussions, exchange relevant information reasonably necessary to evaluate the dispute, and designate representatives with authority to settle the matter."**

Paragon Partners Consultants, Inc.
Company Name

Brian C. Koeppen, Director, Legal Services
Printed Name and Title

Brian Koeppen
Authorized Signature

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Certification for Suspension and Debarment
CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY and VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTION

(To be submitted with all bids exceeding $25,000)

(1) The prospective lower tier participant (Bidder/Consultant) certifies, by submission of this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) The prospective Bidder/Consultant also certifies by submission of this bid or proposal that all subcontractors and suppliers (this requirement flows down to all subcontracts at all levels) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Commonwealth Land Title Comapny, certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official _____

Name of Consultant's Authorized Official Griffin Wayne

Title of Consultant's Authorized Official Vice President

Date 2/17/2026

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Byrd Anti-Lobbying Amendment Certification
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

(To be submitted with each bid or offer exceeding $100,000)

The undersigned [Consultant] certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such expenditure or failure.]

The Consultant, D. Woolley & Associates, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Consultant understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq., apply* to this certification and disclosure, if any.

Signature of Consultant's Authorized Official _____

Name of Consultant's Authorized Official David E. Woolley

Title of Consultant's Authorized Official President/Owner

Date 2/17/2026

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Certification for Suspension and Debarment

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(To be submitted with all bids exceeding $25,000)

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(2) The prospective Bidder/Consultant also certifies by submission of this bid or proposal that all subcontractors and suppliers (this requirement flows down to all subcontracts at all levels) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), D. Woolley & Associates, Inc., certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official 

Name of Consultant's Authorized Official David E. Woolley

Title of Consultant's Authorized Official President/Owner

Date 2/17/2026

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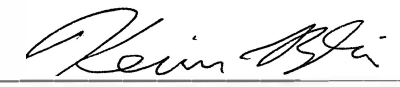
(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Desmond, Marcello & Amster, LLC, certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official 

Name of Consultant's Authorized Official Kevin Blair

Title of Consultant's Authorized Official Partner

Date 2/12/2026

Docusign Envelope ID: DC3EF7E3-506F-4BC5-A60D-3F2C5C47A2BF

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Certification for Suspension and Debarment
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(To be submitted with all bids exceeding $25,000)

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(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Epic Land Solutions, Inc., certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official Signed by: Kevin Romito 2F21AD2D454D46E...

Name of Consultant's Authorized Official Kevin Romito

Title of Consultant's Authorized Official Chief Financial Officer

Date 2/13/2026 | 12:34:20 PM CST

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(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Scott Enterprise Appraisal & Consulting, Inc., certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official Janet Scott

Name of Consultant's Authorized Official Janet Scott

Title of Consultant's Authorized Official President

Date 2/17/26

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Certification for Suspension and Debarment

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(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Thompson & Thompson, certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official Bradford Thompson

Name of Consultant's Authorized Official Bradford Thompson

Title of Consultant's Authorized Official President

Date 2/17/2026

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Certification for Suspension and Debarment

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(3) Where the prospective lower tier participant (Bidder/Consultant) is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this bid or proposal.

The lower tier participant (Bidder/Consultant), Terracon Consultants, Inc., certifies or affirms the truthfulness and accuracy of this statement of its certification and disclosure, if any.

Signature of Consultant's Authorized Official _____

Name of Consultant's Authorized Official Sami Noaman

Title of Consultant's Authorized Official Principal/Regional Environmental Services Manager

Date 2/17/2026

PARAGON
A CLS COMPANY

Task	Project Director/Corporate Broker	Project Manager	QA/QC Manager	Relocation Manager	Title Agent	Principal Acquisition Agent	Sr. Relocation Agent	Project Control Specialist	Outreach/ Coordinator	Subconsultant Team	Total Fees
Hourly Rate	$240	$140	$195	$160	$125	$140	$95	$105	$85		
Task 1 - Project Coordination and Management	36	55	12	8	6	18	18	32	24		**$ 30,340**
Task 2 - Right of Way Mapping and Exhibits	6	8	10	0	8	8	0	4	16		**$ 187,110**
Wooley & Associates - 59 Plat Maps and 59 Legal Descriptions										$ 165,000	
Parsons Transportation Group										$ 13,700	
Task 3 - Preliminary Title Reports and Property Research	8	15	8	0	45	12	2	2	24		**$ 35,325**
Commonwealth Land Title Company - 37 (Larger Parcel) Title Reports										$ 20,000	
Task 4 - Appraisal and Valuation Coordination	24	50	16	0	0	32	12	2	24		**$ 160,000**
Appraisal: Thompson & Thompson - 23 Larger Parcels covering 26 parcels										$ 80,500	
Appraisal Review: Scott Enterprises Appraisal & Consulting - 23 Appraisal Review Reports										$ 28,750	
Fixtures & Equipment Appraisals (F&E): DMA - 5 Appraisal Reports for Displaced Buisnesses										$ 27,000	
Task 5 - Acquisition and Negotiation Support	32	65	28	24	4	370	28	12	60		**$ 87,400**
Task 6 - Relocation Assistance (If applicable)	10	12	16	90	0	60	180	8	55		**$ 52,615**
Task 7 - Utility Coordination	8	10	5	0	4	6	0	8	12		**$ 52,867**
Epic Land Solutions										$ 45,372	
Task 8 - ROW Certification Support	10	12	15	8	2	10	15	8	18		**$ 13,730**
Subtotal	**134**	**227**	**110**	**130**	**69**	**516**	**255**	**76**	**233**		**$ 619,387**
ODC's (mileage, postage, etc.)										$ 380,322	**$3,800**
										Total Fee	**$ 623,187**

Additional Services if Required

1.) 2 Phase I Environmental Site Assessments (Terracon)	$ 5,000
2.) 5 Business Goodwill Appraisals (Desmond, Marcello, & Amster)	$ 60,500

Assumptions

1.) 40 parcels requiring either partial fee simple acquisition, permanent easement, temporary construction easement, or a combination thereof
2.) Paragon to procure narrative appraisal reports and review appraisal reports for 23 "Larger Parcels" (Common ownership, contiguity, and common use), covering 26 parcels.
3.) Waiver Valuations will be prepared for 14 temporary construction easement acquisitions as they are deemed uncomplicated and are estimated to fall below the $15,000 value threshold - consistent with Caltrans guidelines.
4.) Right of Way acquisitions are deemed "Strip-takes", which will not result in impacts giving rise to severance damages requiring "a before and after analysis" by the appraiser.
5.) One property will require permanent relocation assistance of five (5) non-residential displacees.
6.) Condemnation support is not included but can be provided for an additional fee.
7.) Coordination activity with UPRR/Metro and Metrolink is embedded in Paragon's Task: 1 Project Coordination and Management.
8.) Phase 1 Environmental Site Assessment services are noted as it may be associated with the two full fee acquisitions.
9.) Outreach/Coordinator will be principally responsible for Project outreach and implementation at the direction of City staff.



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DISCLAIMER: CONFIDENTIALITY NOTICE.

THE CITY OF PALMDALE HAS MADE EVERY EFFORT TO ENSURE THAT THIS MAP IS CORRECT; NEVERTHELESS, SOME INFORMATION MAY NOT BE ENTIRELY ACCURATE.

THE CITY OF PALMDALE ASSUMES NO LIABILITY FOR DAMAGES THAT MAY ARISE FROM THE USE OF INFORMATION RETRIEVED FROM THIS MAP. THE MAP AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PUBLIC SHOULD NOT MAKE BUSINESS OR PERSONAL DECISIONS BASED ON THE MAP BEFORE VALIDATING DATA WITH THE CITY OF PALMDALE OR OTHER LOCAL, COUNTY, STATE OR FEDERAL AGENCIES.

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **3, 4, 5**

SUBJECT: **APPROVE CONSTRUCTION AGREEMENT WITH VANCE CORPORATION FOR PN 917A, AVENUE R FROM 25TH STREET EAST TO TACKSTEM AVENUE, FOR A TOTAL NOT TO EXCEED AMOUNT OF $12,777,831.62 FOR A TERM OF 120 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Construction Agreement No. A-9799 with Vance Corporation for PN 917A, Avenue R from 25th Street East to Tackstem Avenue (Project), for a total not to exceed amount of $12,777,831.62, which includes a contract amount of $11,616,210.62, plus a 10% contingency amount of $1,161,621 for a term of 120 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9799 with Vance Corporation, including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 10% contingency amount approved by the Council.

BACKGROUND

As part of the Citywide Annual Pavement Maintenance Program, this Project prioritizes roadway resurfacing to boost structural integrity and pedestrian/motorist safety. The segment along Avenue R was selected based on the last available Pavement Management Program for having a PCI lower than 50 and a continuation of the recently completed roadway improvement along Avenue R. The project is to address the deficiencies and provide a smoother, safer ride to the motorists and enhance safety for pedestrians and cyclists.

The Project scope includes full-depth reclamation, pulverizing 18 inches of existing asphalt and underlying base, followed by pavement replacement (base and surface courses). Additional work includes reconstructing curb ramps to meet ADA requirements, replacing traffic signal detectors, installing high-visibility crosswalks, modifying bicycle video detection, and installing new pavement markings/signage.

Local paving companies were contacted during the bidding process to raise interest from local construction companies in bidding on the job.

Construction is anticipated to take approximately one hundred twenty (120) working days from the date the City issues the Notice to Proceed.

Public Outreach

The selected Construction Management Team will take the lead and implement all public outreach efforts to ensure communications are accurate, timely, and aligned with project phasing and traffic control activities. Public outreach will include, but not be limited to, mailers, virtual meetings, and website or social media updates. All notifications distributed will be bilingual.

Outreach efforts will be coordinated with construction activities to ensure that residents, businesses, and schools receive advance notice of construction schedules, lane closures, and access impacts. Special attention will be given to coordination with nearby schools to avoid peak drop-off and pick-up periods and ensure safe pedestrian access.

DISCUSSION

The Project was advertised for construction bids via the PlanetBids electronic platform on March 18, 2026. Six (6) bids were received on April 20, 2026, and are listed below:

Bidder	Location	Amount
1. Vance Corporation	Beaumont, CA	$11,616,210.62
2. Hardy & Harper	Lake Forest, CA	$12,650,000.00
3. Calmex Engineering Inc.	Bloomington, CA	$12,713,435.67
4. C.A. Rasmussen, Inc.	Valencia, CA	$13,527,002.58
5. Sully-Miller Contracting Co.	Brea, CA	$13,697,891.73
6. Security Paving Company, Inc.	Westlake Village, CA	$13,887,320.30

Vance Corporation submitted the lowest responsive bid and secured the required 10% bid bond. References have been checked, and staff recommend that the City Council

award Project No. 917A to the apparent low bidder, Vance Corporation, in the amount of $11,616,210.62 with a 10% contingency allowed.

FISCAL IMPACT

$12,777,831.62; Sufficient funds budgeted and available using SB1, Prop C Local, Measure R Local, and TDA Article 8 funding sources.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9799 with Vance Corporation
Proposal
Fee Schedule
Location Map

AGREEMENT NO. A- 9799
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND VANCE CORPORATION

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and VANCE CORPORATION, a California General Contractor ("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:

PN 917A, Avenue R Phase 1 from 25th Street East to Tackstem Avenue (Project)

Project scope includes full-depth reclamation, pulverizing 18 inches of existing asphalt and underlying base, followed by pavement replacement (base and surface courses). Additional work includes reconstructing curb ramps to meet ADA requirements, replacing traffic signal detectors, installing high-visibility crosswalks, modifying bicycle video detection, and installing new pavement markings/signage.

Construction is anticipated to take approximately one hundred twenty (120) working days from the date the City issues the Notice to Proceed.

CONTRACTOR's Proposal attached as Exhibit "A".

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.

Should it apply, the Successor Community Workforce Agreement policies and procedures must be followed as outlined in the attached agreement.

3 Compensation

City shall pay Contractor the total, all-inclusive, NOT-TO-EXCEED amount of ELEVEN MILLION, SIX HUNDRED and SIXTEEN THOUSAND, TWO HUNDRED and TEN Dollars ($11616210) 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 120 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 A Contractor's License to perform the required work ("Work"). Contractor's DIR registration number is 1000008103. Contractor hereby certifies that it holds the required license(s).

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.

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 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 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
- ~ $5,000,000.00 limit on a per occurrence basis
- ~ $10,000,000.00 general aggregate limit

11.1.2 Commercial Automobile Liability
- ~ $5,000,000.00 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 --
  $1,000,000.00 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

11.1.5 Professional Liability (Errors and Omissions)*

- $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 and/or professional liability (errors and omissions) 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 OWNERSHIP AND DELIVERY OF WORK PRODUCT

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONTRACTOR or Contractor's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY.

All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONTRACTOR shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

23 OWNERSHIP OF INTELLECTUAL PROPERTY

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.

To the extent any Work Product does not qualify as a work made for hire, CONTRACTOR hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONTRACTOR consents to the use of CONTRACTOR's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONTRACTOR agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONTRACTOR waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

24 Non-discrimination and Equal Employment Opportunity

24.1 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.

25 SB 1383 COMPLIANCE

CONTRACTOR shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

26 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.

27 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.

28 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.

29 HEALTH AND SAFETY PROVISIONS

A. CONTRACTOR and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONTRACTOR and subcontractors shall abide by the most restrictive mandate.

B. Costs associated with adhering to health and safety mandates are the responsibility of the CONTRACTOR. CONTRACTOR is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

30 NOTIFICATION AND ACCESS REVOCATION

The CONTRACTOR shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONTRACTOR to be in breach of contract. Notice shall include the individual’s name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

31 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party (“Force Majeure Event”). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.

The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

32 Successors and Assigns

The terms and conditions of this Contract shall be binding on the successors and assigns of the parties to this Contract.

33 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.

34 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.

35 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	VANCE CORPORATION
Salvador Mendez Date City Manager	Robert Erautt Date Vice President
Lee Torres Apr 29, 2026, 3:52 PM PDT	
ADDRESS FOR NOTICE: CITY OF PALMDALE 38250 Sierra Highway Palmdale, CA 93550	ADDRESS FOR NOTICE: VANCE CORPORATION PO Box 575 Beaumont, CA 92223
APPROVE AS TO FORM:	
Alexandra Severino City Attorney	
ATTEST:	ATTEST: If Corporation
Rochelle Scott City Clerk	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)

Record of Signing

For City of Palmdale
Name Leonardo Torres
Title



Signed on Apr 29, 2026 3:52 PM PDT

Secured by Concord™
DocumentID: 0338GHSkxdvKuZlszLLguu
SigningID: 0338GHSYa5HxPxtjW6YFT5
UTC Signing time: 2026-04-29 22:52:08 UTC
IP Address: 206.171.111.149
Email: ltorres@cityofpalmdaleca.gov

concord™
Where agreements happen.

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

SECTION C

Bid Forms



PALMDALE

a place to call home

BID FORMS

FOR

AVENUE R - PHASE 1

FROM 25th St. E. TO TACKSTEM AVENUE

PROJECT NO. 917A

PREPARED BY:

DEPARTMENT OF PUBLIC WORKS
38250 Sierra Highway
Palmdale, CA 93550
(661) 267-5300

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CHECKLIST FOR BIDDERS

The following information is required of all Bidders at the time of Bid submission:

- [x] Bid Cover Form
- [x] Bid Sheets
- [x] Bid Bond or Other Security Form
- [x] Questionnaire
- [x] References Form
- [x] Resume of General Construction Superintendent / On-Site Construction Manager
- [x] Subcontractor Designation Form
- [x] Industrial Safety Record Form
- [x] Bidder's Acknowledgement of Community Workforce Agreement (Only if > $250k)
- [x] Bidder's Acknowledgement of Liability Insurance Requirements
- [x] Non-Collusion Declaration Form
- [x] Non-Discrimination Form
- [x] Penal & Civil Penalties Concerning Contractor's Licensing Laws Form
- [x] Electrical Safety Policy Form (Only if > $500k)

Failure of the Bidder to provide all required information in a complete and accurate manner subjects the Bid to be considered non-responsive.

BID COVER FORM

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

Bidder acknowledges receipt of all addenda, as follows:

Addendum No. 1 Date: 04/14/2026
Addendum No. _____ Date: _____
Addendum No. _____ Date: _____
Addendum No. _____ Date: _____

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check, or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses the California Contractor's License specified below.

PLANET BIDS

City of Palmdale

AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE PN 917A

Addenda

✓ Apr 14, 2026 01 Avenue R Addendum No. 1 Alternate Bid No. 1

Alternate Bid No. 1 has added items to the original bid.

Email History

Apr 01, 2026
Notice of Bid Update for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A)

Apr 01, 2026
Q and A Set 1 for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A), with a bid due date of April 20, 2026 12:00 PM (Pacific)

Apr 01, 2026
Q and A Set 2 for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A), with a bid due date of April 20, 2026 12:00 PM (Pacific)

Apr 01, 2026
Notice of Bid Update for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A)

Apr 01, 2026
Notice of Bid Update for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A)

Apr 01, 2026
Q and A Set 3 for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A), with a bid due date of April 20, 2026 12:00 PM (Pacific)

Apr 01, 2026
Q and A Set 4 for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A), with a bid due date of April 20, 2026 12:00 PM (Pacific)

Apr 01, 2026
Q and A Set 5 for AVENUE R - PHASE 1 FROM 25TH ST TO TACKSTEM AVENUE (PN 917A), with a bid due date of April 20, 2026 12:00 PM (Pacific)

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CITY OF PALMDALE
PN 917A AVENUE R – PHASE 1- FROM 25TH STREET EAST TO TACKSTEM AVENUE PROJECT
APRIL 14, 2026
ADDENDUM NO. 1

This Addendum No. 1 forms a part of the Bidding and Contract Documents and modifies the Plans and Specifications for the City of Palmdale's PN 917A AVENUE R – PHASE 1- FROM 25TH STREET EAST TO TACKSTEM AVENUE Project. Bidders must acknowledge receipt of this Addendum No.1 on PlanetBids and on the Bid Cover Form in the bid package.

1. This Addendum No. 1 modifies the Bidding and Contract Documents in the following manner:
   a) Add Alternate Bid No. 1 (Two plan sheets, Tech Specs, Updated Engr Estimate (Bid Schedule).
2. Three additional questions have been answered and uploaded to [DOCUMENTS] in Planet Bids.

Please note the bid submittal date and time has not changed.

Jonathan Wu, P.E.
Deputy Director of Public Works

04/14/2026
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your bid package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: _____

Name: ROBERT ERAUTT

Title: VICE PRESIDENT

Company: VANCE CORPORATION

Date: 04/14/2026

BID BOND

Supplemental Page 8A for Surety2000 Bid Bond No.

in Bid Forms

For **PN 917A – AVENUE R – PHASE 1 FROM 25TH ST E. to TACKSTEM AVENUE**

Name and Address of Bidder:

Name: VANCE CORPORATION

Address: 459 EGAN AVENUE P.O. BOX 575 BEAUMONT, CA 92223

Bidder will provide the unique bid bond ID no. from Surety2000 in the space below:

SCA0417349074

Bidder Signature: _____
(CODY ERAUTT)

Title: SECRETARY

Date: 04/20/2026

License No: 414567

Class: A, C31

Expiration: 11-30-2027

Bidder's Name: VANCE CORPORATION

DIR Registration No: 1000008103

*UEI No: SNYQRW9M41M9

*Only required for federally funded projects

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimate Quantity	Unit Price	Extended Amount
1	Mobilization/Demobilization	LS	1	$ 11,000.00	11,000.00
2	Surveying and Construction Staking	LS	1	$ 88,193.00	$88,193.00
3	Develop and Implement Storm Water Pollution Prevention Plan	LS	1	$ 28,775.00	$28,775.00
4	Prove As-Built Plans	LS	1	$ 3,866.00	$3,866.00
5	Traffic Control and Pedestrian Control	LS	1	$ 142,202.00	$142,202.00
6	Pulverize 18" Asphalt Concrete Surfacing	SF	1,179,914	$ 0.67	$790,542.38
7	Cement Stabilization 14" Subgrade	TON	~~64,699~~ 2,409	$ 478.00	$1,151,542.38
8	Cold Plane Asphalt Concrete and Overlay	SF	9,630	$ 2.33	$22,437.90
9	PG-64-16 ARHM-GG-C	TON	53,465	$ 144.00	$7,698,960.00
10	Type D1-8 Asphalt Concrete Curb	LF	26	$ 25.00	$650.00
11	Remove and Replace AC Pavement	SF	98,080	$ 4.42	$433,513.60
12	Design, Remove and Replace ADA Ramp	EA	37	$ 9,804.00	$362,748.00
13	Redwood Header (2"x4"x16")	LF	1,340	$ 13.50	$18,090.00
14	Adjust Manhole to Grade	EA	69	$ 1,226.00	$84,594.00
15	Adjust Valve to Grade	EA	82	$ 213.00	$17,466.00
16	Adjust Monument to Grade	EA	6	$ 2,041.00	$12,246.00
17	Replace Traffic Signal Detectors	LS	1	$ 29,825.00	$29,825.00
18	Modify/Reprogram Existing Detection Processor for Bicycle Detection	LS	1	$ 6,000.00	6,000.00
19	Detectable Warning Surface	EA	38	$ 828.00	$31,464.00
20	Striping Removal	LF	1,150	$ 14.00	$16,100.00
21	Thermoplastic Striping	LF	83,900	$ 1.07	$79,773.00
22	Green Striping	SF	25,000	$ 7.16	$179,000.00

23	Thermoplastic Markings	SF	18,900	$4.91	$92,799.00
24	Pavement Markers	EA	2,800	$5.47	$15,316.00
25	Traffic Signs	LS	1	$3,308.00	$3,308

Total Bid Price in Digits: $11,430,370.88

Total Bid Price in Words: ELEVEN MILLION FOUR HUNDRED THIRTY THOUSAND THREE HUNDRED SEVENTY DOLLARS AND EIGHT EIGHT CENTS.

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☒ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

_____ DOLLARS ($ _____)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026

RICK

24501 Town Center Drive
Suite 103
Santa Clarita, CA 91355
661-855-4001

Project: PalmdaleEastAveR-StreetImp
Job No: 20165-A
Date: 4/14/2026
By: James Lee

Pavement Rehabilitation Project PN 917A Palmdale East Avenue R

Engineer's Estimate/Bid Schedule

ITEM NO.	ITEM DESCRIPTION	UNIT	APPROX. QTY	UNIT PRICE	TOTAL ITEM PRICE
	SCHEDULE A - GENERAL WORK ITEMS				
1	Mobilization/Demobilization	LS	1	111,000.00	111,000.00
2	Surveying and Construction Staking	LS	1	88,193.00	88,193.00
3	Develop and Implement Storm Water Pollution Prevention Plan	LS	1	28,775.00	28,775.00
4	Prove As-Built Plans	LS	1	3,866.00	3,866.00
5	Traffic Control and Pedestrian Control	LS	1	142,202.00	142,202.00
6	Pulverize 18" Asphalt Concrete Surfacing	SF	1,179,914	0.67	790,542.38
7	Cement Stabilization 14" Subgrade	TON	2,409	478.00	1,151,502.00
8	Cold Plane Asphalt Concrete and Overlay	SF	9,630	2.33	22,437.90
9	PG-64-16 ARHM-GG-C	TON	53,465	144.00	7,698,960.00
10	Type D1-8 Asphalt Concrete Curb	LF	26	25.00	650.00
11	Remove and Replace AC Pavement	SF	98,080	4.42	433,513.60
12	Design, Remove and Replace ADA Ramp	EA	37	9,804.00	362,748.00
13	Redwood Header (2"x4"x16")	LF	1,340	13.50	18,090.00
14	Adjust Manhole to Grade	EA	69	1,226.00	84,594.00
15	Adjust Valve to Grade	EA	82	213.00	17,466.00
16	Adjust Monument to Grade	EA	6	2,041.00	12,246.00
17	Replace Traffic Signal Detectors	LS	1	29,825.00	29,825.00
18	Modify/Reprogram Existing Detection Processor for Bicycle Detection	LS	1	6,000.00	6,000.00
19	Detectable Warning Surface	EA	38	820.00	31,464.00
				SCHEDULE A SUBTOTAL =	$ 11,066,736.88
	SCHEDULE B - SIGNAGE AND STRIPING				
20	Striping Removal	LF	1,150	14.00	16,100.00
21	Thermoplastic Striping	LF	83,900	1.07	89,773.00
22	Green Striping	SF	25,000	7.16	179,000.00
23	Thermoplastic Markings	SF	18,900	4.91	92,799.00
24	Pavement Markers	EA	2,800	5.47	15,316.00
25	Traffic Signs	LS	1	3,308.00	3,308.00
				SCHEDULE B SUBTOTAL =	$ 396,296.00

TOTAL ESTIMATE

	ADD ALTERNATE 1				
2	Surveying and Construction Staking	LS	1	3,038.00	3,038.00
8	Cold Plane Asphalt Concrete and Overlay	SF	162	2.33	377.46
9	PG-64-16 ARHM-GG-C	TON	181	144.00	26,064.00
10	Type D1-8 Asphalt Concrete Curb	LF	687	25.00	17,175.00
13	Redwood Header (2"x4"x16")	LF	691	13.50	9,328.50
19	Detectable Warning Surface	EA	2	828.00	1,656.00
21	Thermoplastic Striping	LF	2,065	1.07	2,209.55
23	Thermoplastic Markings	SF	10	4.91	49.10
24	Pavement Markers	EA	70	5.47	382.90
25	Traffic Signs	LS	1	20,953.00	20,953.00
26	Clearing and Grubbing	LS	1	13,964.00	13,964.00
27	Geotechnical Report and Engineered Drawings	LS	1	40,319.00	40,319.00
28	Crushed Aggregate Base	CY	370	99.00	36,630.00
29	Non-Woven Geotextile	SY	739	8.57	6,333.23
30	Remove Asphalt Concrete Pavement	SF	460	16.00	7,360.00
				ADD ALTERNATE SUBTOTAL =	$ 185,839.74
				SCHEDULE A&B SUBTOTAL =	$ 11,463,032.88

TOTAL ESTIMATE

DEPARTMENT OF PUBLIC WORKS
CAPITAL IMPROVEMENT PROGRAM

CITY OF PALMDALE

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Palmdale ("Public Agency"), has issued an Invitation for Bids for the Work described as follows: PN 9174 – Avenue R - Phase 1 From 25th St. to Tackstem Avenue .

WHEREAS Vance Corporation 459 EGAN AVENUE P.O. BOX 575, Beaumont, CA 92223

Name and Address of Bidder

("Principal"), desires to submit a Bid to Public Agency for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and

Old Republic Surety Company 18500 W Corporate Drive Ste 170, Brookfield, WI 53045

Name and Address of Surety

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the Public Agency in the penal sum of:

not to exceed ten percent (10%) of the total bid amount DOLLARS ($ 10%)

being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the Public Agency and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the Public Agency in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

CONTINUES ON NEXT PAGE

S2K:0ef763e843:836117

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: 04/20/2026

"Principal"	"Surety"
Vance Corporation	Old Republic Surety Company
Derek Ritarita	Julia B Bales
By: Derek Ritarita	By: Julia B. Bales
Its: President	Its: Attorney-In-Fact
By:	By:
Its:	Its:

Note: Evidence of the authority of any person signing as attorney-in-fact must be attached. Contractor's Bonding Company to attach appropriate Notary documents and Power of Attorney

S2K:0ef763e843:836117

OLD REPUBLIC SURETY COMPANY

SCA0417349074

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Julia B. Bales

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, ***(other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds),*** as follows:

ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED ($ Unlimited) FOR ANY SINGLE OBLIGATION

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18,1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

(i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or

(ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or

(iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 04/20/2026

Karen J. Haffner
Assistant Secretary

OLD REPUBLIC SURETY COMPANY

Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 04/20/2026, personally came before me, Alan Pavlic and Karen J Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.

Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2026

(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Brookfield, WI this 04/20/2026

Karen J. Haffner
Assistant Secretary

ORSC 22262 (3-06)

S2K:364df5d219:836117

QUESTIONNAIRE

Fill out all the following information. Attach additional sheets if necessary.

(1) Bidder's Name: VANCE CORPORATION

(2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.

N/A

(3) Business Address: 459 EGAN AVENUE P.O. BOX 575 BEAUMONT, CA 92223

(4) Telephone: 909-355-4333

(5) Type of Firm (Individual, Partnership, LLC, or Corporation): CORPORATION

(6) Corporation organized under the laws of the State of: CA

(7) California State Contractors License Number & Class: 414567 & A, C31

Original Date Issued: 11-23-1981 Expiration Date: 11-30-2027

(8) DIR Contractor Registration Number: 1000008103

(9) Name and title of the person(s) who inspected the Project Site for your firm:

RICHARD KESNER, ESTIMATOR

(10) Name and title of the person(s) who attended the mandatory pre-bid meeting for your firm, including the mandatory site visit (if any):

N/A

(11) Number of years' experience the company has as a contractor in construction work:

44

(12) Names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint venturers, and company or corporate officers having a principal interest in this bid:

DEREK RITARITA, PRESIDENT — 459 EGAN AVENUE P.O. BOX 575

ROBERT ERAUTT, VICE PRESIDENT — BEAUMONT , CA 92223

CODY ERAUTT, SECRETARY — 909-355-4333

(13) Current and prior D.B.A's, aliases, and fictitious business names for any principal having interest in this bid:

N/A

(14) Dates of any voluntary or involuntary bankruptcy judgements against any principal having an interest in this bid:

N/A

(15) For all arbitrations, lawsuits, settlements, and the link (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses, and telephone numbers of contact persons for the parties:

N/A

Briefly summarize the parties' claims and defenses:

N/A

b. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

(16) Has the company or any principal having an interest in this Bid ever had a contract terminated by the Owner or Agency? If yes, explain.

N/A

(17) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

N/A

(18) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

N/A

(19) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

a. By you against the Owner? Circle one: Yes (No)

b. By the Owner against you? Circle one: Yes (No)

c. By any outside agency or individual for labor compliance? Circle one: Yes (No)

d. By subcontractors? Circle one: Yes (No)

e. Are any of these claims or actions unresolved or outstanding? Circle one: Yes (No)

If your answer is "yes" to any part or parts of this question, please explain:

N/A

(20) List the last three (3) projects you have worked on or are currently working on for the City of Palmdale:

N/A

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

Company: VANCE CORPORATION

Signature:

Title: VICE PRESIDENT

Date: 04/20/2026

Signature:

Title: SECRETARY

Date: 04/20/2026

REFERENCES FORM

For all public agency projects more than $100,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1

Name/Number: BUTTERFIELD RANCH ROAD PAVEMENT REHABILITATION- ST24001

Project Description: REMOVAL AND RECONSTRUCTION OF DETERIORATED PAVEMENT, GRIND AND OVERLAY.

Approximate Construction Dates: From: MAY 2025 To: JULY 2025

Agency Name: CITY OF CHINO HILLS

Contact Person: JAVIER SIGALA Telephone: 909-364-2755

Address: 14000 CITY CENTER DRIVE, CHINO HILLS CA 91709

Original Contract Amount: $ 1,866,330.42 Final Contract Amount: $ 1,733,645.19

If final amount is different from original amount, please explain (change orders, extra work, etc.)

REMOVE AND REPLACE SIGNAL DETECTION SYSTEM, DIGOUTS & ADDITIONAL SIGNAGE.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 2

Name/Number: EL SOBRANTE ROAD RESURFACING LA SIERRA AVE TO CAJALCO ROAD COMMUNITY OF LAKE MATTHEWS- D2-0092

Project Description: RESURFACING APPROXIMATELY 5.8 MILE SEGMENT OF EXISTING ASPHALT CONCRETE PAVEMENT.

Approximate Construction Dates: From: JANUARY 1, 2026 To: MARCH 2026

Agency Name: COUNTY OF RIVERSIDE

Contact Person: DUSTIN RACE Telephone: 951-955-6780

Address: 3525 14TH STREET RIVERSIDE, CA 92501

Original Contract Amount: $ 7,625,748.94 Final Contract Amount: $ 6,394,233.48

If final amount is different from original amount, please explain (change orders, extra work, etc.)

350,000.00 FORCE ACCOUNT NOT USED, UNDER-RUNS.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 3

Name/Number: A STREET AND NUEVO ROAD RECONSTRUCTION- D2-0095

Project Description: REMOVAL OF EXISTING AC PAVEMENT AND UNDERLYING MATERIAL AND PLACING HMA.

Approximate Construction Dates: From: MARCH 2025 To: MAY 2025

Agency Name: COUNTY OF RIVERSIDE

Contact Person: MINH LY Telephone: 951-955-6885

Address: 3525 14TH STREET RIVERSIDE, CA 92501

Original Contract Amount: $ 1,643,347.00 Final Contract Amount: $ 1,553,573.85

If final amount is different from original amount, please explain (change orders, extra work, etc.)

DIGOUTS.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 4

Name/Number: FY 2024-2025 DREAM HOMES NEIGHBORHOOD AREA AND EAST CANYON DRIVE PAVEMENT REHABILITATION PROJECTS, (C08693, C08694)

Project Description: REMOVAL OF EXISTING PAVING, COLD MILLING OF EXISTING ASPHALT PAVEMENT.

Approximate Construction Dates: From: MARCH 2025 To: MAY 2025

Agency Name: CITY OF CATHEDRAL CITY

Contact Person: JESUS GUTIERREZ Telephone: 760-202-2402

Address: 68700 AVENIDA LALO GUERRERO CATHEDRAL CITY, CA 92234

Original Contract Amount: $ 481,836.28 Final Contract Amount: $ 547,409.96

If final amount is different from original amount, please explain (change orders, extra work, etc.)

ADDITIONAL SIGNAGE AND STRIPE, DIGOUTS, AND ADDITIONAL STRIPE LAYOUT.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 5

Name/Number: NORTH SHORE AREA RESURFACING, COMMUNITY OF NORTH SHORE PROJECT NO. D0-0073

Project Description: RESURFACING VARIOUS ROADS WITH A COMBINED LENGTH OF APPROXIMATELY 6 MILES OF EXISTING AC PAVEMENT.

Approximate Construction Dates: From: AUGUST 2025 To: NOVEMBER 2025

Agency Name: COUNTY OF RIVERSIDE

Contact Person: ABIGAIL MANRIQUEZ Telephone: 760-397-3933

Address: 3525 14TH STREET RIVERSIDE, CA 92501

Original Contract Amount: $ 5,901,041.98 Final Contract Amount: $ 5,811,648.17

If final amount is different from original amount, please explain (change orders, extra work, etc.)

EXTRA WORK ON FORCE ACCOUNT, REMOVE EXISTING CULVERT AND REPLACE WITH PIPE, SLOT PAVE AT NEW CROSS GUTTER SPANDRELS.

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project History

Koala Road Repaving Project CIP 2023-04
Owner: City of Adelanto
Address: 11600 Air Expressway, Adelanto, CA 92301
Contact: Richard Burgess | (760) 246-2300 | rburgess@adelantoca.gov
Type of Work: Asphalt and base pulverizing, aggregate base, subgrade, asphalt concrete base pavement, asphalt grinding and rubberized asphalt concrete pavement overlay.
Contract Duration: 60 Calendar Days
Contract Price: $888,888.88
Project Duration: January 2024- March 2024

East Main Street Evan Hewes Hwy Rehabilitation Project CRSAL-5169(057)
Owner: City of El Centro
Address: 1275 Main Street El Centro, CA
Contact: Felix De Leon Jr. | (760)337-5182 | f_deleon@cityofelcentro.org
Type of Work: Grinding of existing asphalt concrete pavement, installation of asphalt-rubber and aggregate membrane, gap graded base, monument preservation, utility cover adjustments.
Contract Duration: 45 Calendar Days
Contract Price: $1,918,840.00
Project Duration: February 2024- April 2024

Mission Lakes Boulevard and Little Morongo Road Resurfacing D1-0073 & D1-0074
Owner: County of Riverside Transportation Department
Address: 3525 14th Street, Riverside, CA 92501
Contact: Richard Mortan | (951)955-6885 | RMortan@Rivco.org
Type of Work: Resurfacing asphalt concrete pavement, removing existing AC pavement, and placing Hot Mix Asphalt.
Contract Duration: 60 Working Days
Contract Price: $1,197,631.42
Project Duration: July 2024- August 2024

Lone Hill Avenue Street Improvement Project 2024-02
Owner: City of San Dimas
Address: 245 E Bonita Avenue, San Dimas, CA 91773
Contact: Brandon Slater | (909)394-6278 | blater@sandimasca.gov
Type of Work: Roadway Milling, ARHM Paving, Asphalt Concrete paving and striping and pavement markings.
Contract Duration: 60 Working Days
Contract Price: $942,207.95
Project Duration: June 2024- September 2024

Dune Palms Road Pavement Rehabilitation- 2021-01
Owner: City of La Quinta
Address: 78-495 Calle Tampico, La Quinta, CA 92253
Contact: Ubaldo Ayon | (760)777-7051 | uayon@laquinraca.gov
Type of Work: Pulverization, grind, asphalt overlay, signing and striping.
Contract Duration: 20 Working Days
Contract Price: $744,891.95
Project Duration: August 2024- September 2024

FY2023-2024 Street Improvement Project ST24007
Owner: City of Chino Hills
Address: 14000 City Center Drive, CA 91709
Contact: Victor Yanez | (909)364-2755 | vyanez@chinohills.org
Type of Work: Grind and AC overlay
Contract Duration: 40 Working Days
Contract Price: $928,742.72
Project Duration: August 2024- September 2024

Phase IV-A Street Improvement Project
Owner: City of Needles
Address: 817 3rd Street, Needles, CA 92363
Contact: Kathy Raasch | (760)326-2113 | KRaasch@cityofneedles.com
Type of Work: Grind and Pave thick asphalt with petromat, including full depth AC spot repairs.
Contract Duration: 20 Working Days
Contract Price: $1,333,319.11
Project Duration: August 2024- October 2024

Citywide Street Overlay- IFB-24-066
Owner: City of Banning
Address: 99 E. Ramsey Street, CA 92220
Contact: Kevin D. Sin | (951)992-3140 | ksin@banningca.gov
Type of Work: Grind/Cold plane of existing asphalt, grading, placing new asphalt concrete.
Contract Duration: 60 Working Days
Contract Price: $1,308,987.71
Project Duration: July 2024- October 2024

Bellflower Street Rehabilitation Project CIP 2024-06
Owner: City of Adelanto
Address: 11600 Air Expressway, Adelanto, CA 92301
Contact: Richard Burgess | (760) 246-2300 | rburgess@adelantoca.gov
Type of Work: Removal of existing asphalt concrete pavement, aggregate base, subgrade, concrete curb access ramps.
Contract Duration: 40 Working Days
Contract Price: $544,100.03
Project Duration: September 2024-October 2024

CP 23-391 Country Club Morningside to 111 Street Rehab
Owner: City of Rancho Mirage
Address: 69-825 Highway 111, Rancho Mirage, CA 92270
Contact: Chet Kan | (760)770-3224 Ext. 277 | chetk@ranchomirageCA.gov
Type of Work: Removal and reconstruction of A.C. pavement, ADA curb ramp, adjusting utility vaults and manholes to grade, installing new striping and pavement markings.

Contract Duration: 90 Calendar Days
Contract Price: $1,649,883.02
Project Duration: December 2024- February 2025

Nuevo Area Resurfacing Group Project No. D4-0136–0140
Owner: County of Riverside
Address: 3525 14th Street, Riverside, CA 92501
Contact: Douglas Christensen | (951)955-6880 | dchriste@rivco.org
Type of Work: Road Excavation, Pulverize, & Grade Overlay
Contract Duration: 85 Working Days
Contract Price: $2,845,653.61
Project Duration: January 2025- March 2025

A Street and Nuevo Road Reconstruction- D2-0095
Owner: County of Riverside
Address: 3525 14th Street, Riverside, CA 92501
Contact: Minh Ly | (951)955-6885 | MinhLy@rivco.org
Type of Work: Removal of existing AC pavement and underlying material and placing Hot Mix Asphalt pavement.
Contract Duration: 50 Working Days
Contract Price: $1,643,347.00
Project Duration: March 2025- May 2025

FY 2024-2025 Dream Homes Neighborhood Area & East Palm Canyon Drive Rehab B24-79E
Owner: City of Cathedral City
Address: 68700 Avenida Lalo Guerrero, Cathedral City, CA 92234
Contact: Jesus Gutierrez | (760)770-0340 | jgutierrez@cathedralcity.gov
Type of Work: Removal/disposal of existing asphalt pavement, construction of asphalt concrete.
Contract Duration: 45 Calendar Days
Contract Price: $481,836.28
Project Duration: March 2025- May 2025

Reche Canyon Road and Other Roads- H1517
Owner: County of San Bernardino
Address: 825 E 3rd Street, San Bernardino, CA 92415
Contact: Andrew Truong | (909)387-7937 | Andrew.Truong@dpw.sbcounty.gov
Type of Work: Roadway reconstruction, Mill overlay, Rubberized chip seal, Crack seal.
Contract Duration: 100 Working Days
Contract Price: $3,553,529.57
Project Duration: April 2025- July 2025

Citrus Street and Other Roads- Phase I H15161
Owner: County of San Bernardino
Address: 825 E 3rd Street, San Bernardino, CA 92415
Contact: Edward Lopez | (909)387-7936 | elopez@dpw.sbcounty.gov
Type of Work: Pavement Reconstruction, Mill and overlay.
Contract Duration: 80 Working Days
Contract Price: $3,302,653.07
Project Duration: June 2025- August 2025

Butterfield Ranch Road Pavement Rehabilitation ST24001
Owner: City of Chino Hills
Address: 14000 City Center Drive, Chino Hills, CA 91709
Contact: Javier Sigala | (909)364-2755 | jsigala@chinohills.org
Type of Work: Removal and reconstruction of deteriorated pavement, grind and overlay asphalt pavement.
Contract Duration: 40 Working Days
Contract Price: $1,866,330.42
Project Duration: May 2025- July 2025

North Shore Area Resurfacing Project No. D090073
Owner: County of Riverside
Contact: Abigail Manriquez | (760)397-3933 | abigail.manriquez@tylin.com
Type of Work: Reconstructing AC pavement, removing existing AC pavement, placing Hot Mix Asphalt.
Contract Duration: 100 Working Days
Contract Price: $5,901,041.98
Project Duration: August 2025- December 2025

Panorama Neighborhood Streets, Corta Road & Alcita Road Rehab C02605, C02606
Owner: City of Cathedral City
Contact: Jesus Gutierrez | (760)202-2402 | jgutierrez@cathedralcity.gov
Type of Work: Asphalt pavement reconstruction and rehabilitation.
Contract Duration: 35 Working Days
Contract Price: $919,715.40
Project Duration: November 2025- December 2025

Fifth Street Et Al Street Improvement Project 2025-04
Owner: City of San Dimas
Contact: Peter Jacoy | (909)394-6245 | pjacoy@sandimasca.gov
Type of Work: Asphalt pavement reconstruction and rehabilitation, pavement grinding, conventional AC overlay.
Contract Duration: 35 Working Days
Contract Price: $894,454.38
Project Duration: October 2025- December 2025

Phase V- Street Paving Improvements PW2602
Owner: City of Needles
Contact: Kathy Raasch | (760)326-2113 | KRaasch@cityofneedles.com
Type of Work: Pulverize in Place and pavement rehabilitation.
Contract Duration: 60 Calendar Days
Contract Price: $1,373,796.30
Project Duration:

RESUME

Attach to this Bid the experience resume of the person who will be designated as the General Construction Superintendent or on-site Construction Manager for the Project.

Omar Amaya
1254 Maple Avenue | Beaumont, CA, 92223
(909)533-0111

omar@vancecorp.net

Superintendent

Construction superintendent with 32 years of experience in the construction filed, specializing in Highway and Street Construction, Site Development, Road Repair, Airports, and Landfills. Complete understanding of plans, specifications, shop drawings, and sub trade scope of work. Proficient in pre-planning of subcontractors, materials delivery, look ahead scheduling, daily reports to project manager, cost control and managing working crews of up to fifty employees. Strong technical, communication and problem solving skills. Computer literate with Microsoft Word and Excel. Dedicated to completing projects on time, within budget, and following all OSHA and Company safety guidelines.

Key Skills

- Supervision and management of working crews
- Storm Water Manager / QSP
- Cost control
- Scheduling
- Operation of heavy equipment
- MS Word/Excel
- Reading of plans and shop drawings
- Problem resolution skills
- Conflict resolution skills

Employee Summary

Vance Corporation. (Bloomington, CA) – **General Superintendent**, Current Oversee all phases of construction of highways, roads, street, airports, school, site development, and landfill projects. Coordinate with sub-contractors, in house crews, and vendors. Coordinates scheduling of work force, materials, and equipment. Administration of construction contracts, permits and licenses. Serve as liaison on contractual matters between project manager, engineers and inspectors to improve construction methods and identify potential construction problems. Inspects work site to determine sequencing and method of construction and survey for potential hazards or safety concerns. Interacts with municipal representatives, engineers, and union representatives to locate personnel to maximize productivity and safe operations.

Project Highlights

Los Angeles Forest Highway Project (2015) | **Budget: $7M**

- Serve as general superintendent for the cold in place recycling and asphalt overlay work in Los Angeles Forest Highway project.

Water Recharge Facility Project (2014) | **Budget: $2M**

- Serve as general superintendent for the Water Recharge Facility Project. The project included earthwork, clearing, grubbing, trench protection, impermeable soil core, emergency overflows; soil stabilizer on slopes, class II base access roads and improvements to all existing utilities.

Crafton Hills Reservoir Enlargement (2012) | **Budget: $6M:**

- Serve as general superintendent for the Crafton Hills Reservoir Enlargement Project. The work included construction of earthen embankment dam, access roads, fencing and gravel surfacing for the undeveloped portion of the water reservoir.

Education & Certifications

- State of California Certified Practitioner QSP
- Certified Erosion, Sediment and Storm Water Inspector
- Cal/OSHA Heat Illness Prevention Training
- CICWQ Certificate
- Fall Protection Certificate
- Fugitive Dust Control
- 40 Hour HAZWOPER Certificate
- CPR & First Aid Certificate
- Flagger Training Certificate

Cody Erautt
13183 Shiperio Ln, Beaumont, CA 92223
909-266-4708 | cody@vancecorp.net

Objective

Seeking a **Project Manager** position to leverage a proven track record in operations, resource management, and team leadership. With a Bachelor of Science degree from Linfield College, 10 years of field experience, and expertise in managing complex projects and workflows, I aim to contribute to organizational success by optimizing processes and delivering results-driven solutions.

Professional Experience

Heavy Equipment Operator

Pavement Recycling Systems, Sacramento, CA
2017 – 2022

- Performed daily maintenance on trucks, trailers, and machines to ensure operational efficiency.
- Managed production schedules and supervised subcontractors to optimize on-site performance.
- Collected and reported accurate billable quantities for projects, contributing to accurate project tracking and financial reporting.

Public Works Foreman

Vance Corporation, Beaumont, CA
2022 – 2024

- Oversaw daily operations for public works projects, ensuring tasks were completed on schedule and within budget.
- Directed teams of workers, coordinated subcontractors, and managed resource allocation to meet project goals.
- Ensured compliance with safety regulations and quality standards, delivering successful project outcomes.

Education

Bachelor of Science
Linfield College, McMinnville, OR
Graduated: June 2016

Skills

- Proficient in safety practices in construction
- Project management methodologies (Agile, Waterfall)
- Resource allocation and scheduling
- Strong leadership and team-building abilities
- Proficiency in MS Project
- Risk assessment and mitigation strategies
- Excellent communication and stakeholder management

Key Projects

City of West Covina Residential Street Rehabilitation Program ($3.4 Million)

- Managed milling, paving, and slurry seal over a six-week period, spanning 2.6 million square feet.
- Successfully maintained the project schedule and delivered results under budget.

Gene Autry Trail Project

- Managed this project and achieved a 35% profit margin by implementing innovative cost-cutting solutions.
- Ensured timely delivery while maintaining high-quality standards.

City of Chino Hills Pavement Rehabilitation Project ($1.35 Million)

- Oversaw milling, paving, and slurry seal operations to ensure project completion on time and within scope.
- Delivered the project under budget with a 15% profit margin, showcasing efficient resource management and cost control.

DESIGNATION OF SUBCONTRACTORS
[Public Contract Code Section 4104]

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or $10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors. Contractor is required to fill out this table fully to be in compliance with the bid.

Name under which Subcontractor is licensed and registered	CSLB License Number(s) & Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)1
DT STELLAR GENERAL ENGINEERING	999662 & A	1000993266	31941 SILK VINE DRIVE WINCHESTER, CA 92596 714-448-2369	PCC, CONCRETE	2.69%
CAL STRIPE	685387 & A	1000001100	2040 E STEEL ROAD COLTON, CA 92324 909-884-7170	STRIPING	3.37%
BELCO ELECNOR	838518 A, B, C-10	1000004804	14320 ALBERS WAY CHINO, CA 91710 909-993-5470	ELECTRICAL	.32%
CASE LAND SURVEYING	L5411	1000001533	614 N. ECKHOFF STREET ORANGE, CA 92868 714-628-8948	SURVEY	0.65%
PAVEMENT RECYCLING SYSTEMS, INC.	569352 &A, C12	1000003363	10240 SAN SEVAINE WAY JURUPA VALLEY, CA 91750 951-682-1091	CEMENT STABILIZE	6.95%
PRECISION COLD PLANING, INC.	832640 & C-12	1000006264	13552 CALIMESA BLVD. YUCAIPA, CA 92399 909-446-0010	PULVERIZE	0.76%
RICK ENGINEERING	N/A	N/A	VALENCIA, CA 661-855-4001	ENGINEERING	0.94%

[1]The percentage of the total Bid shall represent the "portion of work" for the purposed of Public Contract Code Section 4104(b).

DT STELLAR
GENERAL ENGINEERING

31941 Silk Vine Drive, Winchester, CA, 92596

Workforce Coordinator
City of Palmdale
38250 Sierra Highway
Palmdale, CA 93550
Attn: CWA Coordinator

Dear Sir or Madam:
This is to confirm that DT Stellar General Engineering agrees to be party to and bound by the City of Palmdale
Community Workforce Agreement effective May 20, 2019, 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 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,
DT Stellar General Engineering
By: Jonathon Sedeno : Secretary
999662
A Street Corridor Safety Improvements HSIPSL-5198(029) 2026-03

CAL STRIPE, INC.

GENERAL ENGINEERING CONTRACTOR
License #685387
2040 E. Steel Rd ~ Colton, CA 92324
(909) 884-7170 ~ Fax (909) 884-7106

CWA Administrator
City of Palmdale
38300 Sierra Hwy
Palmdale, CA 93550

Attn: Public Works Department

Re: Community Work Force Agreement – Letter of Assent

Dear Sir:

This is to confirm that Cal Stripe Inc. agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective April 17th, 2026, 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 the 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,
Cal Stripe Inc.

By: S.FLEENER
Steve Fleener – General Manager

Contractor State License No.: 685387

Project Name: Avenue R – Phase 1 Street Rehab

LETTER OF ASSENT

4/20/2026

Community Workforce Coordinator

City of Palmdale

38250 Sierra Highway

Palmdale, CA 93550

Attn: CWA Coordinator

Dear Sir or Madam:

This is to confirm that Elecnor Belco Electric, Inc. agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective May 20, 2019, 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 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,

John Wong

Elecnor Belco Electric, Inc.

By: John Wong, Executive Vice President

Contractor's State License No. 738518

Avenue R Phase 1, 25th St E. to Tackstem

14320 Albers Way
Chino, CA 91710
(909) 993-5470 Office
(909) 993-5476 Fax
CA License 738518

Case Land Surveying, Inc.

*Surveying * Mapping * GPS Services*

California DIR Registration No. 1000001533

Larry V. Case, P.L.S. *License # L5411*

City of Palmdale
38250 Sierra Highway
Palmdale, CA 93550

Re: Community Workforce Agreement - Letter of Assent

Dear Sir:

This is to confirm that Case Land Surveying, Inc. agrees to be party to and bound by the City of Lancaster 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,

Case Land Surveying, Inc.

By: Sunshine Villa, Labor Compliance Admin

Project Name: Avenue R – Phase 1 from 25th St E. to Tackstem Ave

Contractor State License No.: LS 5411

614 N. Eckhoff Street Orange, CA 92868 (714)628-8948 fax (714)628-8905
E-mail address: clsi@caselandsurveying.com

Pavement Recycling Systems
10240 San Sevaine Way, Jurupa Valley, CA 91752
PH: (951) 682-1091
Fax: (951) 682-1094
www.pavementrecycling.com

ATTACHMENT A
LETTER OF ASSENT

To be signed by all contractors awarded work covered by the
Community Workforce Agreement prior to commencing work.

City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550

Attn: CWA Administrator

Re: Community Workforce Agreement - Letter of Assent

Dear Sir:
This is to confirm that Pavement Recycling Systems, Inc. agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective, July 1st, 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.

Pavement Recycling Systems, Inc.

By: Kurt Eddy
Kurt Eddy (Apr 20, 2026 08:55:52 PDT) Kurt Eddy, President

Contractor State License No.: 569352

Project Name: Avenue R Phase 1 – PN 917A

PRECISION

COLD PLANING, INC.

Cold Planing, Pulverization and Soil Stabilization

Community Workforce Coordinator

City of Palmdale

38250 Sierra Highway

Palmdale, CA 93550

Attn: CWA Coordinator

Dear Sir or Madam:

This is to confirm that Precision Cold Planing LLC agrees to be party to and bound by the City of Palmdale

Community Workforce Agreement effective May 20, 2019, 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 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,

Precision Cold Planing LLC

By: Jason Purvis, Project Manager

Contractor's State License No. 832640

Ave R – Phase 1 From 25th St E to Tackstem Ave

661-855-4001
rickengineering.com

24501 Town Center Drive #103
Valencia, CA 91355

SAN DIEGO ORANGE RIVERSIDE SACRAMENTO SAN LUIS OBISPO SANTA CLARITA PHOENIX TUCSON LAS VEGAS DENVER

April 20, 2026

Community Workforce
Coordinator City of
Palmdale
38250 Sierra Highway
Palmdale, CA
93550
Attn: CWA
Coordinator

Dear Sir or Madam:

This is to confirm that RICK Engineering agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective April 20, 2026, 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 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,

RICK Engineering
By: Hoon Hahn, P.E. Associate RCE 60003



Project Name: Palmdale- Avenue R, Phase 1

INDUSTRIAL SAFETY RECORD FORM

Bidder's Name: VANCE CORPORATION

	Current Year of Record	2024	2023	2022	2021	2020	Total
Number of contracts	136	572	527	473	341	169	2,218
Total dollar amount of contracts[1]	$21,296,136.29	$40,772,188.90	$26,951,108.33	$16,886,596.22	$8,226,442.10	$7,932,129.65	$121,524,601.49
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	IN PROGRESS	1	0	0	0	1	2
Number of lost workday cases involving permanent transfer to another job or termination of employment	IN PROGRESS	0	0	0	0	1	1

[1] *In thousands of dollars*

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026

BIDDER'S ACKNOWLEDGMENT OF CWA REQUIREMENTS

ONLY APPLICABLE FOR PROJECTS OVER $250,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE COMMUNITY WORKFORCE AGREEMENT AND AGREES TO COMPLY WITH ALL THE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the City of Palmdale's Community Workforce Agreement.

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026

NONCOLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the VICE PRESIDENT *(Title)* of VANCE CORPORATION *(Firm)*, the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 04/20/2026 *(Date)*, at BEAUMONT, CA *(City, State)*

Signature: R/D/D

Printed Name: ROBERT ERAUTT

Date: 04/20/2026

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Riverside)

On APR 2 0 2026 before me, Izabella Rose Daniello, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Robert Erautt
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

IZABELLA ROSE DANIELLO
Notary Public - California
Riverside County
Commission # 2515631
My Comm. Expires Mar 26, 2029

Signature Izabella Rose Daniello
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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BIDDER'S CERTIFICATE OF NON-DISCRIMINATION

Each bidder must submit with the Proposal a fully executed Bidder's Certificate of Non-Discrimination by Contractors. Bids will not be considered unless accompanied by the completed Certificate.

As a supplier of labor, materials, supplies, goods or services to the Owner, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

The undersigned agrees specifically:

1. To establish and observe employment policies which affirmatively promote opportunities for minority persons at all job levels.

2. To communicate such policies to all persons concerned, including all firm employees, outside recruiting services, especially those serving minority communities, and the minority communities at large.

3. To take affirmative steps to hire minority employees within the firm.

VANCE CORPORATION
Firm Name of Bidder

By: 
Signature of Authorized Officer

VICE PRESIDENT
Title of Officer

Date: 04/20/2026

Please include any additional information available regarding equal opportunity employment programs now in effect within your firm:

*SEE ATTACHED

STATEMENT OF ADDITIONAL INFORMATION

Vance Corporation has built a reputation for excellence through an unwavering commitment to safety, professionalism, and strong regional partnerships. The company maintains an outstanding safety record, reflecting its proactive safety culture, comprehensive training programs, and strict adherence to industry standards and regulatory requirements.

Our dedicated office staff provides responsive project management, detailed coordination, and clear communication to ensure every project runs efficiently from pre-construction through completion. In the field, our highly skilled crews consistently deliver superior workmanship, reliability, and productivity, taking pride in meeting schedules while upholding the highest quality standards.

Vance Corporation has also cultivated strong, long-standing relationships with public agencies and industry partners throughout the Southern California region. These trusted partnerships are built on integrity, transparency, and consistent performance, allowing us to collaborate effectively and deliver successful outcomes across a wide range of projects.

Together, our people, safety culture, and regional relationships position Vance Corporation as a dependable and respected partner in the industry.

BIDDER'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ LIABILITY INSURANCE REQUIREMENTS OF SECTION 5-4.2 OF THE GENERAL PROVISIONS AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE BIDDER TO OBTAIN THE REQUIRED LIABILITY INSURANCE AFTER THE AWARD OF CONTRACT MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the Liability Insurance as required under Section 5-4.2 of the General Provisions.

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026

BIDDER'S ACKNOWLEDGING PENAL AND CIVIL PENALTIES CONCERNING THE CONTRACTORS' LICENSING LAWS

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code Section 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.
(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars ($4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both. In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, the price of the contract for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13 inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposed of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code Section 20103.5

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of prequalification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

License No: 414567

Class: A, C31

Expiration: 11-30-2027

VANCE CORPORATION
Firm Name of Bidder

By: 
Signature of Authorized Officer

VICE PRESIDENT
Title of Officer

Date: 04/20/2026

ELECTRICAL SAFETY POLICY – IMPLEMENTATION PLAN

ONLY APPLICABLE FOR PROJECTS OVER $500,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

PROJECT NAME:	AVENUE R PHASE 1 FROM 25TH ST E TO TACKSTEM AVENUE	PROJECT NO:	917A

THE CONTRACTOR ACKNOWLEDGES THAT HE/SHE HAS READ THE ELECTRICAL SAFETY POLICY ADOPTED BY CITY OF PALMDALE RESOLUTION NO. CC 2007-249, ON NOVEMBER 7, 2007, AND AGREES TO IMPLEMENT ITS PROVISIONS. THE CONTRACTOR ATTESTS THAT IT'S ELECTRICAL WORKFORCE, INCLUDING SUBCONTRACTORS, SHALL COMPLY WITH THE FOLLOWING PROVISIONS IN ACCORDANCE WITH THE ELECTRICAL SAFETY POLICY:

1.	All electricians on the project shall be certified by the California Division of Apprenticeship Standards pursuant to California Labor Code Section 3099, unless the electrician is a registered apprentice performing electrical work as part of an apprenticeship program approved by the Chief of the California Division of Apprenticeship Standards, a federal Bureau of Apprenticeship Training program, or a state apprenticeship program authorized by the federal Bureau of Apprenticeship Training, or unless the electrician has fulfilled the requirements under Section 3099.4(a) of the California Labor Code in order to acquire the necessary on-the-job experience for certification.
2.	All jobsite journeyman level and apprentice electricians on the project must be OSHA 10-hour General Construction Industry Safety & Health Certified.
3.	All jobsite journeyman level electricians on the project must be OSHA 30-hour General Construction Industry Safety & Health Certified.
4.	All jobsite journeyman level and apprentice electricians on the project must be trained and certified in first aid and cardiopulmonary resuscitation (CPR) - Such training shall be equal to or exceed that offered by the American Red Cross.
5.	Electrical work performed on traffic signals, lighted signage, landscape irrigation systems and communication systems shall be exempt from the above provisions.

FAILURE TO FULLY IMPLEMENT AND MONITOR THE ELECTRICAL SAFETY POLICY MAY RESULT IN AN ASSESSMENT OF PENALTIES AND/OR POSSIBLE SANCTIONS AGAINST THE CONTRACTOR.

Distribution:

- *Contractor*
- *Project File*
- *Inspector/Observer*
- *Labor Compliance*

As the contractor's representative, I understand and agree to comply with all provisions of the subject Electrical Safety Policy.

Signature

04/20/2026
Date

Vance CORPORATION
459 EGAN AVE.
BEAUMONT CA 92223
P: 909-355-4333
bids@vancecorp.net
DIR# 1000008103
LIC# 414567

Date: 04/20/2026

Community Workforce Coordinator

City of Palmdale

38250 Sierra Highway

Palmdale, CA 93550

Attn: CWA Coordinator

Dear Sir or Madam:

This is to confirm that Vance Corporation agrees to be party to and bound by the City of Palmdale Community Workforce Agreement effective May 20, 2019, 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 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,

Vance Corporation

By: Robert Erautt, Vice President

Contractor's State License No.: 414567

Project Name: Avenue R - Phase I from 25th St. E. to Tackstem Ave

Project No.: 917A

Vance Corporation

General Engineering Contractor
License No. 414567-A

P.O. Box 575, Beaumont, CA 92223 • (909) 355-4333 • Fax No. (909) 355-4339

BOARD RESOLUTION
APPOINTING OFFICERS

APPOINTMENT OF OFFICERS

RESOLVED, On May 12th, 2025 that the following person are elected to the office(s) indicated next to their names to serve until their successor(s) shall be duly elected, unless he or she resigns, is removed from office or is otherwise disqualified from serving as an officers of this corporation, to take their respective office(s) immediately to upon such appointment:

OFFICE:	NAME:
President and Chief Executive Officer	Derek Ritarita
Vice President and Chief Financial Officer	Robert Erautt
Secretary	Cody Erautt

Resolved, that the officers of this corporation are, and each acting alone is, hereby authorized to do and performed any and all such acts, including execution of any and all documents and certificates, as such officers shall deem necessary or advisable, to carry out the purpose and intent of the foregoing resolutions.

Further Resolved, that any actions taken by such officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deed of this corporation.

There being no further business to come before the Board, the meeting was accordingly adjourned.

OFFICERS:

Derek Ritarita
President, CEO

Cody Erautt
Secretary

Robert Erautt
Vice President, CFO

CA

State of California Department of Industrial Relations

Public Works Support

Log in

eCPR Search

Knowledge

Contractor Registration Search

Project Registration Search

Register

Home > Customer Account Lookup > 1000008103 - VANCE CORPORATION

1000008103 - VANCE CORPORATION

Customer Account Lookup

PWCR

1000008103

Contractor Status

DIR Approved

CSLB

414567

Business Phone

9093554333

Ext

Registration Start Date

2024-07-01

Legal Entity Name

VANCE CORPORATION

Doing Business As (DBA)

VANCE CORPORATION

Business Structure

Corporation - S corp

President

Derek Ritarita

Email

rpayne@vancecorp.net

Registration End Date

2027-06-30

Crafts

Laborer and Related Classifications | Operating Engineer | Teamster (Applies only to work on the construction site)

Address

Mailing Address

459 Egan Avenue

Mailing Address - City

Beaumont

Mailing Address - State

CA

Mailing Address - Zip

92223

Mailing Address - Country

united states

Physical Address

P.O. Box 575

Physical Address - City

Beaumont

Physical Address - State

Physical Address - Zip

92223

Physical Address - Country

United States

Related Lists

Registration Dates (11)

Terms & Conditions

Privacy Policy

Disclaimer

Nondiscrimination Notice

Accessibility

dir.ca.gov

Copyright 2024 State of California

California Environmental Protection Agency

Air Resources Board

January 1, 2026

CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION

is issued to

VANCE CORPORATION

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2027**

Michelle Buffington

Michelle Buffington
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

2204

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

STATE OF CALIFORNIA
dca
DEPARTMENT OF CONSUMER AFFAIRS

CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE

License Number **414567** Entity CORP

Business Name VANCE CORPORATION

Classification(s) A C31

Expiration Date 11/30/2027 www.cslb.ca.gov

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimate Quantity	Unit Price	Extended Amount
1	Mobilization/Demobilization	LS	1	$ 11,000.00	11,000.00
2	Surveying and Construction Staking	LS	1	$ 88,193.00	$88,193.00
3	Develop and Implement Storm Water Pollution Prevention Plan	LS	1	$ 28,775.00	$28,775.00
4	Prove As-Built Plans	LS	1	$ 3,866.00	$3,866.00
5	Traffic Control and Pedestrian Control	LS	1	$ 142,202.00	$142,202.00
6	Pulverize 18" Asphalt Concrete Surfacing	SF	1,179,914	$ 0.67	$790,542.38
7	Cement Stabilization 14" Subgrade	TON	~~64,699~~ 2,409	$ 478.00	$1,151,542.38
8	Cold Plane Asphalt Concrete and Overlay	SF	9,630	$ 2.33	$22,437.90
9	PG-64-16 ARHM-GG-C	TON	53,465	$ 144.00	$7,698,960.00
10	Type D1-8 Asphalt Concrete Curb	LF	26	$ 25.00	$650.00
11	Remove and Replace AC Pavement	SF	98,080	$ 4.42	$433,513.60
12	Design, Remove and Replace ADA Ramp	EA	37	$ 9,804.00	$362,748.00
13	Redwood Header (2"x4"x16")	LF	1,340	$ 13.50	$18,090.00
14	Adjust Manhole to Grade	EA	69	$ 1,226.00	$84,594.00
15	Adjust Valve to Grade	EA	82	$ 213.00	$17,466.00
16	Adjust Monument to Grade	EA	6	$ 2,041.00	$12,246.00
17	Replace Traffic Signal Detectors	LS	1	$ 29,825.00	$29,825.00
18	Modify/Reprogram Existing Detection Processor for Bicycle Detection	LS	1	$ 6,000.00	6,000.00
19	Detectable Warning Surface	EA	38	$ 828.00	$31,464.00
20	Striping Removal	LF	1,150	$ 14.00	$16,100.00
21	Thermoplastic Striping	LF	83,900	$ 1.07	$79,773.00
22	Green Striping	SF	25,000	$ 7.16	$179,000.00

23	Thermoplastic Markings	SF	18,900	$4.91	$92,799.00
24	Pavement Markers	EA	2,800	$5.47	$15,316.00
25	Traffic Signs	LS	1	$3,308.00	$3,308

Total Bid Price in Digits: $11,430,370.88

Total Bid Price in Words: ELEVEN MILLION FOUR HUNDRED THIRTY THOUSAND THREE HUNDRED SEVENTY DOLLARS AND EIGHT EIGHT CENTS.

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

Attached hereto is bidder's security in the following form:

- [ ] Cash deposit
- [ ] Certified check, payable to Owner
- [ ] Cashier's check, payable to Owner
- [x] Bid bond executed by an admitted surety insurer, payable to Owner

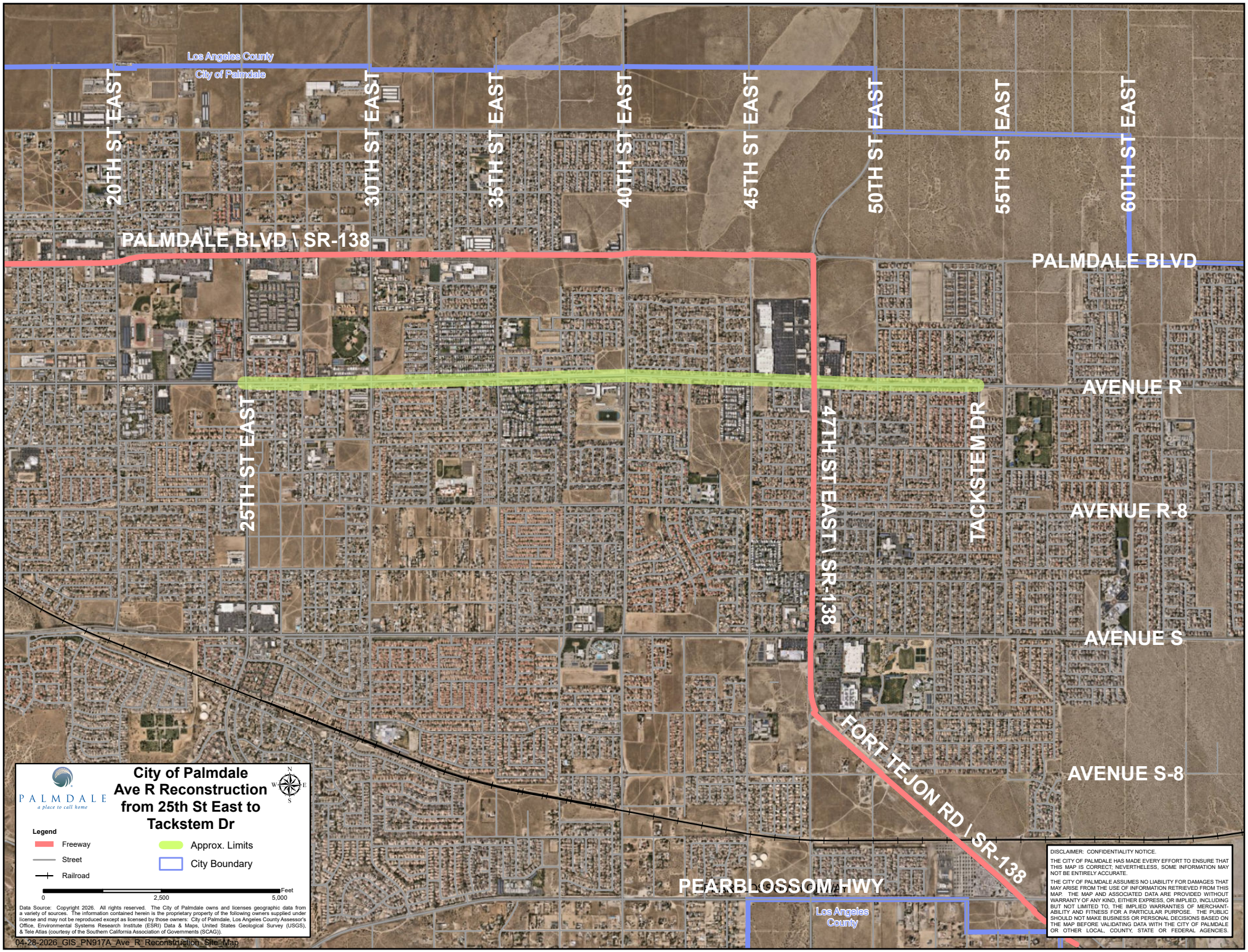
In the amount of:

_____ DOLLARS ($ _____)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: VICE PRESIDENT Date: 04/20/2026

Signature: _____ Title: SECRETARY Date: 04/20/2026


Los Angeles County
City of Palmdale
20TH ST EAST
30TH ST EAST
35TH ST EAST
40TH ST EAST
45TH ST EAST
50TH ST EAST
55TH ST EAST
60TH ST EAST
PALMDALE BLVD \ SR-138
PALMDALE BLVD
AVENUE R
25TH ST EAST
47TH ST EAST \ SR-138
TACKSTEM DR
AVENUE R-8
AVENUE S
FORT TEJON RD \ SR-138
AVENUE S-8
PEARBLOSSOM HWY
Los Angeles County
PALMDALE
a place to call home
City of Palmdale
Ave R Reconstruction
from 25th St East to
Tackstem Dr
N
W
E
S
Legend
Freeway
Street
Railroad
Approx. Limits
City Boundary
0
2,500
5,000
Feet
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DISCLAIMER: CONFIDENTIALITY NOTICE
THE CITY OF PALMDALE HAS MADE EVERY EFFORT TO ENSURE THAT THIS MAP IS CORRECT; NEVERTHELESS, SOME INFORMATION MAY NOT BE ENTIRELY ACCURATE.
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04-28-2026_GIS_PN917A_Ave_R_Reconstruction_Site_Map

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **3, 4, 5**

SUBJECT: **APPROVE AGREEMENT WITH Z&K CONSULTANTS FOR CONSTRUCTION MANAGEMENT AND OBSERVATION SERVICES FOR PN 917A, AVENUE R FROM 25TH STREET EAST TO TACKSTEM AVENUE PROJECT, FOR A TOTAL NOT TO EXCEED AMOUNT OF $559,257.60 FOR A TERM OF 365 CALENDAR DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-9861 with Z&K Consultants for Construction Management and Observation Services for PN 917A, Avenue R from 25th Street East to Tackstem Avenue Project (Project), for a total not to exceed amount of $559,257.60, which includes a contract amount of $508,416.00, plus a 10% contingency amount of $50,841.60 for a term of 365 calendar days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9861 with Z&K Consultants, including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 10% contingency amount approved by the Council.

BACKGROUND

As part of the Citywide Annual Pavement Maintenance Program, this Project prioritizes roadway resurfacing to boost structural integrity and pedestrian/motorist safety. The segment along Avenue R was selected based on the last available Pavement Management Program, which shows a PCI below 50, and on the continuation of the recently completed roadway improvement along Avenue R. The project will address

deficiencies and provide safer rides for motorists, enhance pedestrian and cyclist safety, and improve overall roadway safety.

The Project scope includes full-depth reclamation, pulverizing 18 inches of existing asphalt and underlying base, followed by pavement replacement (base and surface courses). Additional work includes reconstructing curb ramps to meet ADA requirements, replacing traffic signal detectors, installing high-visibility crosswalks, modifying bicycle video detection, and installing new pavement markings/signage.

The construction management team will oversee planning, coordination, and execution to ensure the public works project is completed safely, on schedule, and within budget. They will manage contractors, monitor quality and regulatory compliance, and lead the Public Outreach effort, serving as the central point of communication among all stakeholders.

This Project represents a significant investment in our community's infrastructure, aimed at enhancing the quality of life and promoting environmental sustainability.

DISCUSSION

On February 18, 2026, a Request for Qualifications (RFQ) for construction management and observation services was publicly advertised via the PlanetBids electronic platform.

On March 24, 2026, the City received seventeen (17) proposals. Consistent with the RFQ procurement process, evaluations were reviewed using selected criteria. The table below summarizes the weighted evaluation criteria used in this process:

Criteria	Available Points
Expertise, Experience, and Training Plus Prior Contracting History	40
Project Approach	30
Public Outreach	20
Compliance with RFQ	10
Total	**100**

Each consultant attempted to address the above selection criteria to receive the maximum possible points. Based on the criteria, three City CIP staff evaluators independently scored each proposal. Once the consultants were ranked, the cost proposals were organized by rank as follows:

Rank	Vendor	Location	Proposal Fee
1	Z&K Consultants	Riverside, CA	$508,416.00
2	Transtech Engineers, Inc.	Chino, CA	$643,628.00
3	Fountainhead Consulting Corporation	Fontana, CA	$543,682.00
4	MNS Engineers	Santa Barbara, CA	$676,309.00
5	RVI Construction Management	Los Angeles, CA	$1,531,417.76
6	DMR Team	Chatsworth, CA	$435,135.00
7	FCG Consultant, Inc	Yorba Linda, CA	$542,488.00
8	Kevin Ko and Associate	Monterrey Park, CA	$446,554.20
9	ERSC, Inc	Redlands, CA	$616,331.00
10	LAE Associate, Inc	Placentia, CA	$388,836.00
11	Specs Engineering Group	Brea, CA	$635,530.00
12	TKE Engineering, Inc	Riverside, CA	$698,285.00
13	CQMS, Inc.	Irvine, CA	$760,000.00
14	Ladayu Consulting Group	Palos Verdes Estates, CA	$421,244.00
15	Pacific Pros Consultant	Aliso Viejo, CA	None
16	Kane Construction Services, Inc	Burbank, CA	$387,971.02
17	Khatri International, Inc	Pasadena, CA	$476,800.00

The top three (3) consulting firms were each invited for interviews. Based on interviews, qualifications, and relevant experience, staff recommend that the City Council approve the agreement with Z&K Consultants for PN 917A in the amount of $508,416.00, with a 10% contingency allowed.

FISCAL IMPACT

$559,257.60; Sufficient funds are budgeted and available for this Project utilizing SB1, Prop C Local, Measure R Local, and TDA Article 8 funding sources.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9861 with Z&K Consultants
Proposal
Fee Schedule
Site Map

AGREEMENT NO. A-9861
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND Z&K CONSULTANTS

THIS CONTRACT FOR CONSULTANT 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 Z&K CONSULTANTS (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

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:

Construction Management and Observation Services for PN 917A, Avenue R from 25th Street East to Tackstem Avenue Project.

CONSULTANT to oversee planning, coordination, and execution to ensure the project is completed safely, on schedule, and within budget. CONSULTANT to manage contractors, monitor quality and regulatory compliance, and lead the public outreach effort, serving as the central point of communication among all stakeholders.

CONSULTANT's Proposal attached as Exhibit "A".

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:

Zack Faqih, Senior Construction Manager/Resident Engineer ; Omar Sharabi, Assistant Construction Manager/ Resident Engineer ; Jesse Guzman, Senior Construction Inspector ; Brittany Duhn, Public Outreach Coordinator ; Amber Garcia Labor Compliance Officer

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.

4 CONTRACT TERM

The term of this contract is ONE (1) YEAR / (365) CALENDAR DAYS, commencing on the effective date, with CITY reserving the option to extend the agreement for ONE (1) additional terms of one year each.

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, and CITY shall not be responsible for discovering deficiencies therein. 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 FIVE HUNDRED and EIGHT THOUSAND, FOUR HUNDRED and SIXTEEN dollars ($508416.00), payable as follows:

TASK 1 Constructability Review (Pre-Construction) = $24,968
TASK 2 Meetings = $26,664

TASK 3 Construction Management = $146,136
TASK 4 Construction Observation and Reporting = $186,912
TASK 5 Labor Compliance = $18,960
TASK 6 Geotechnical and Material Testing = $63,360
TASK 7 Survey = $5,664
TASK 8 Traffic Signing and Striping Inspection = $8,160
TASK 9 Interactive Map on City Website = $11,136
TASK 10 Notification Letter to Residents / Businesses = $3,744
PROJECT CLOSE OUT = $12,712

CONSULTANT's Fee Schedule attached as Exhibit "B".

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 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 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, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, CONSULTANT and, as applicable, any contractors or 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. 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

- $2,000,000.00 limit on a per occurrence basis
- $4,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

- $2,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.2 All of CONSULTANT’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.

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. Within five (5) days of written request from CITY, CONSULTANT shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

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, deductibles 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 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 CONSULTANT 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 CONSULTANT shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be CONSULTANT's sole risk. CONSULTANT'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 AND DELIVERY OF WORK PRODUCT:

All documents, data, reports, studies, analyses, field notes, investigations, plans, specifications, software, programs, manuals, instructions, and other materials of any nature, whether complete or incomplete, that are prepared, developed, or produced by CONSULTANT or Consultant's subcontractors in the performance of this Agreement (collectively, "Work Product") shall be the exclusive property of the CITY. All Work Product shall be delivered to or left with the CITY upon completion, expiration, or termination of this Agreement. Upon request, CONSULTANT shall provide the CITY with originals and reproducible and electronic copies of all Work Product. Electronic copies shall be provided in an unprotected format that allows the CITY to copy, reproduce, modify, and use the Work Product without restriction.

16 OWNERSHIP OF INTELLECTUAL PROPERTY:

The Work Product and all intellectual property rights therein shall be deemed "works made for hire" under the United States Copyright Act (17 U.S.C. § 101 et seq.), and the CITY shall be deemed the author and exclusive owner thereof, in perpetuity and worldwide.
To the extent any Work Product does not qualify as a work made for hire, CONSULTANT hereby irrevocably assigns, transfers, and conveys to the CITY all right, title, and interest in and to such Work Product, including all copyrights, trademarks, patents, and other proprietary rights. CONSULTANT consents to the use of CONSULTANT's name in conjunction with the sale, use, performance, and distribution of Work Product, for any purpose and in any medium.

CONSULTANT agrees to execute any documents and take any actions reasonably requested by the CITY to confirm or perfect the CITY'S ownership of such rights.

CONSULTANT waives any and all moral rights or similar rights under California Civil Code section 980 or any other applicable law to the extent permitted by law.

17 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

17.1 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.

17.2 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.

18 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

18.1 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.

19 SB 1383 COMPLIANCE

CONSULTANT shall comply with all applicable requirements of California Senate Bill 1383 (SB 1383) and related regulations concerning the reduction of organic waste, diversion from landfills, and edible food recovery.

20 FINANCIAL INTEREST CERTIFICATION

20.1 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.

20.2 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.

21 CONFLICT OF INTEREST

21.1 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.

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

21.3 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.

21.4 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.

22 COMPLIANCE WITH LAW

22.1 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.

22.2 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.

23 HEALTH AND SAFETY PROVISIONS

A. CONSULTANT and all subcontractors shall abide by all health and safety mandates issued by federal, state, county, City of Palmdale, and/or public health officers, and worksite-specific mandates. If multiple mandates exist, the CONSULTANT and subcontractors shall abide by the most restrictive mandate.
B. Costs associated with adhering to health and safety mandates are the responsibility of the CONSULTANT. CONSULTANT is responsible for the tracking and compliance of health and safety mandates and may be audited upon request.

24 NOTIFICATION AND ACCESS REVOCATION

The CONSULTANT shall notify the CITY in writing prior to or no later than twenty-four (24) hours after, the termination, expiration, suspension, reassignment, or removal of any Contractor Personnel with access to the Project or Owner Resources. For Contractor Personnel with Information Technology access, notification must be immediate, or the CITY may consider the CONSULTANT to be in breach of contract. Notice shall include the individual's name, role, effective date and time of termination or removal, and systems or resources accessed.

The CITY reserves the right, in its sole discretion, to immediately suspend or revoke access for any Contractor Personnel upon receipt of notice or upon CITY'S determination that such access is no longer required or appropriate.

25 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.
The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONSULTANT is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONSULTANT when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

26 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.

27 ENTIRE CONTRACT AND AMENDMENTS

27.1 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.

27.2 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.

27.3 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.

28 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

SIGNATURE AREA

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

Z&K CONSULTANTS:

SIGNATURE AREA

Crystal Fraire, P.E.
President / Principal-in-Charge

ADDRESS FOR NOTICE:
Z&K CONSULTANTS
17130 Van Buren Blvd. # 122
Riverside, CA 92504

APPROVE AS TO FORM:

SIGNATURE AREA

Alexandra Severino
City Attorney

ATTEST:

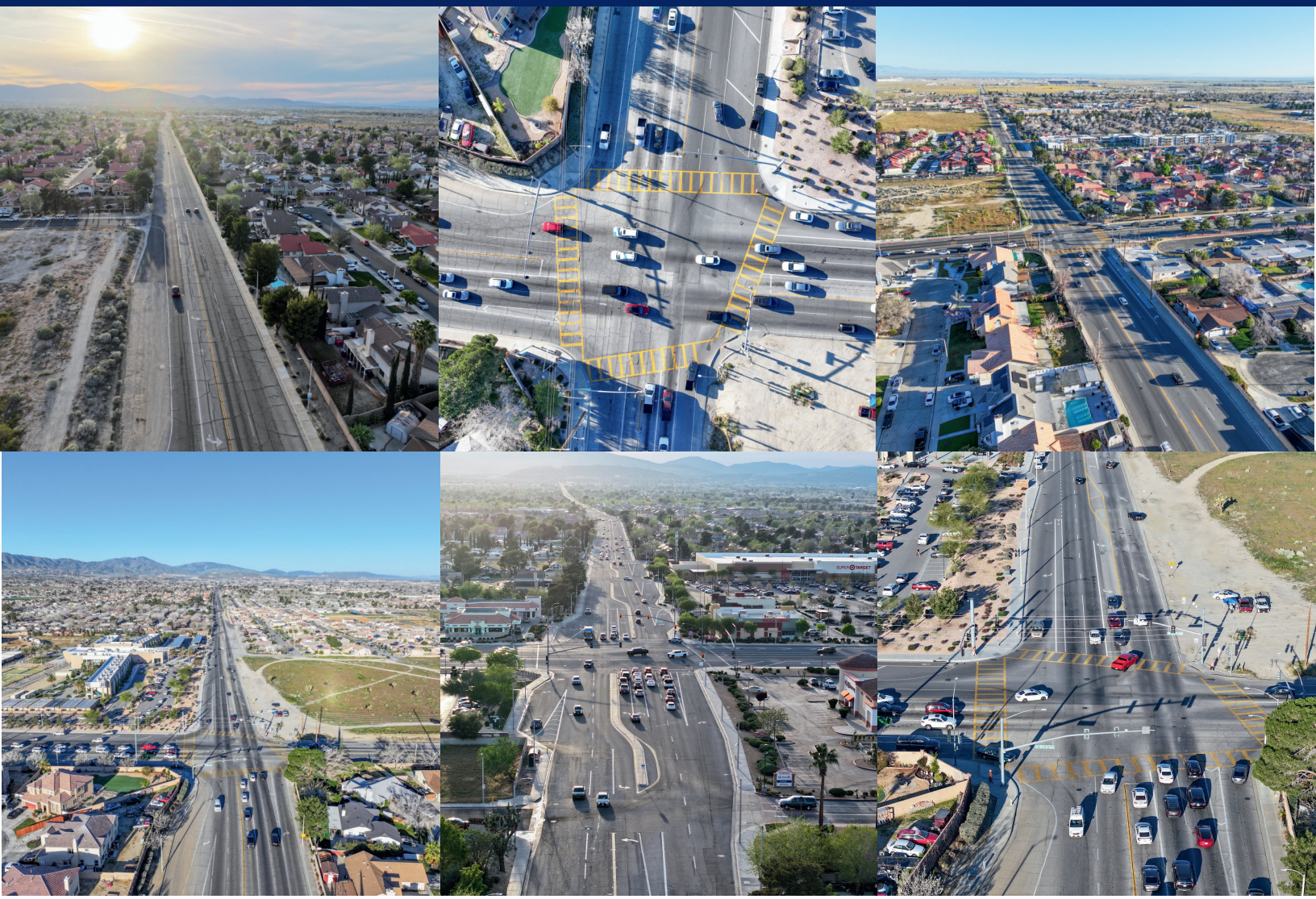
SIGNATURE AREA

Rochelle Scott
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

Z&K CONSULTANTS
BUILDING SOLUTIONS



City of Palmdale, CIP Division Proposal for Professional Construction Management & Observation Services for the Construction of PN 917A - Avenue R Pavement Rehabilitation Project

March 24, 2026

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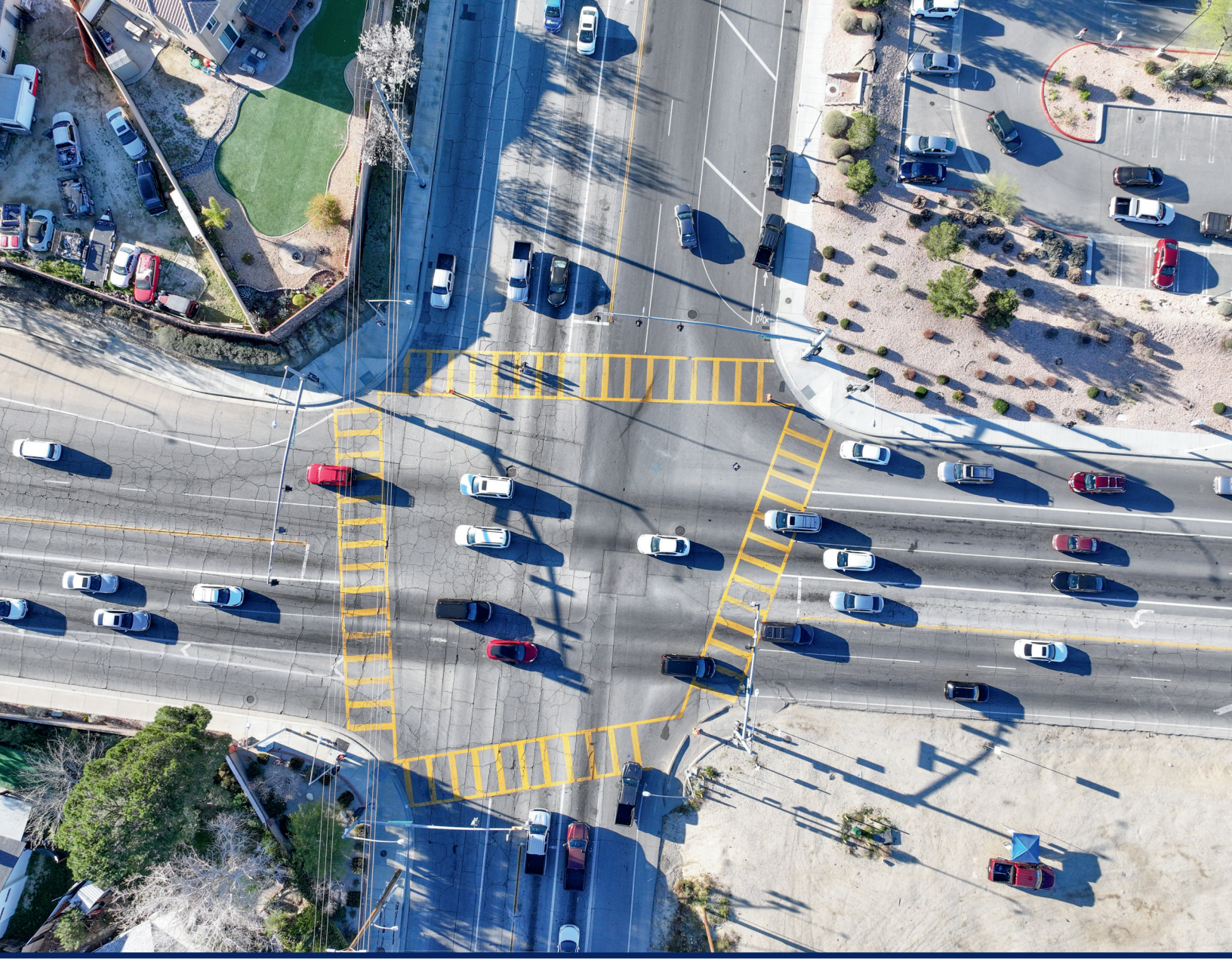
Appendices

Appendix A ..... **Addendum Acknowledgement**



a. Cover Letter

Z&K CONSULTANTS
BUILDING SOLUTIONS

a. Cover Letter

March 24, 2026

Lee Torres, PE, *Director of Public Works*
City of Palmdale, Department of Public Works
38250 Sierra Highway, Palmdale, CA 93550

Subject: Proposal for Professional Construction Management and Observation Services for Avenue R Pavement Rehabilitation Project (PN 917A)

Dear Mr. Torres & Selection Committee,

Z&K Consultants, Inc. (Z&K) is pleased to submit our proposal to provide Construction Management and Observation Services for the Avenue R Pavement Rehabilitation Project (PN 917A). As a certified DBE, WBE, and SBE firm, Z&K brings extensive experience delivering roadway rehabilitation and capital improvement projects throughout Southern California.

Expertise, Experience, and Training plus Prior Contracting History | Z&K has successfully delivered numerous public works projects, including roadway rehabilitation, full depth reclamation (FDR), and pavement overlay. Our proposed team is led by Zack Faqih, PE, serving as Senior Construction Manager/Resident Engineer, supported by Jesse Guzman (Senior Construction Inspector), Omar Sharabi, PE (Assistant CM/RE), and Brittany Duhn, PE (Public Outreach Coordinator), providing strong leadership, inspection, and stakeholder coordination. Z&K's team is supported by Ninyo & Moore for materials testing services and Minagar & Associates for traffic engineering, providing specialized expertise in materials verification and traffic control to support successful project delivery.

Project Approach | Z&K's approach emphasizes proactive coordination, strong QA/QC, and effective control of project schedule and budget. Our team will perform a constructability review, lead pre-construction and weekly meetings, and actively monitor contractor performance, including RFIs, submittals, change orders, and payment requests. Full-time construction observation will be provided to ensure compliance with traffic control, utility coordination, and SWPPP requirements.

Z&K reviewed the plans and specifications, performed a preliminary constructability review, and conducted a site visit to assess existing conditions and potential challenges. Drone photos and videos from this effort can be accessed at the following link:

https://www.dropbox.com/scl/fo/1z13ewuuegkmfe4gycw53/ANBdwQWa_hnDVQP6W7Ixvco?rlkey=wkm36mump2jwnst7srs89v45j&st=wxe0tdax&dl=0

> ***Z&K will provide the City with weekly drone photos and videos documenting site progress, along with summary updates of recent and upcoming activities, at no additional cost to the City.***

Public Outreach | Z&K will support the City with bilingual notifications, coordination of outreach efforts, and clear communication with residents, businesses, and schools to minimize impacts. We will provide timely updates on construction activities, lane closures, and schedule changes to maintain public awareness and reduce disruptions.

Z&K appreciates the opportunity to work with the City of Palmdale on this important project. We acknowledge receipt of Addendum No. 1 dated March 9, 2026, and are committed to delivering responsive service, effective coordination, and reliable construction oversight from pre-construction through closeout. The authorized representative for this proposal is Crystal Fraire, PE, President.

I HAVE READ, UNDERSTOOD, AND AGREED TO ALL STATEMENTS IN THIS REQUEST FOR PROPOSAL AND ACKNOWLEDGE RECEIPT OF ALL ADDENDUMS / AMENDMENTS AS WELL AS TO THE TERMS, CONDITIONS, AND ATTACHMENTS REFERENCED.

Sincerely,

Crystal Fraire

Crystal Fraire, PE, *President (Principal-in-Charge)*
17130 Van Buren Blvd. #122, Riverside, CA 92504
(951) 310-7470 | cfraire@zandkconsultants.com



b. Qualifications and Experience of Proposer's Personnel

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b. Qualifications and Experience of Proposer's Personnel

Firm Qualifications

Z&K provides construction management and inspection services for roadway rehabilitation and capital improvement projects throughout Southern California. Our team has extensive experience delivering pavement improvements, including full depth reclamation (FDR), asphalt paving, and ADA upgrades. Z&K is highly experienced working within active corridors, including traffic control, utility coordination, and public access.

Personnel Qualifications, Experience and Certifications



Zack Faqih, PE, QSD/P, CBO, ICC Cert., *Senior Construction Manager/Resident Engineer* | Zack brings over 36 years of experience managing public infrastructure projects, including roadway rehabilitation, pavement reconstruction, and utilities. He oversees contractor performance, schedules, RFIs, submittals, and change orders, and coordinates with utilities and stakeholders. He is highly knowledgeable in Greenbook and Caltrans standards and provides leadership in QA/QC, documentation, and project delivery.



Omar Sharabi, PE, *Assistant Construction Manager/Resident Engineer* | Omar supports construction management and field operations for roadway rehabilitation and infrastructure projects. He assists with coordination of contractor activities, review of RFIs and submittals, schedule tracking, and documentation management. He has experience supporting pavement rehabilitation, ADA improvements, and traffic control implementation within active roadways.



Jesse Guzman, CESSWI, QSP, *Senior Construction Inspector* | Jesse has over 20 years of experience providing inspection services on roadway and infrastructure projects. He specializes in SWPPP implementation, BMP monitoring, and environmental compliance, ensuring adherence to regulatory requirements throughout construction. Mr. Guzman performs daily inspection, documentation, and traffic control oversight while coordinating closely with contractors and City staff to maintain compliance, safety, and progress.



Brittany Duhn, PE, QSD/P, *Public Outreach Coordinator* | Brittany leads stakeholder communication and public outreach for projects within active communities. She coordinates bilingual notifications, community outreach efforts, and engagement with residents, businesses, and agencies to minimize construction impacts. Ms. Duhn supports clear, timely communication of construction activities, lane closures, and schedule updates to maintain public awareness and ensure a well-coordinated project.



Amber Garcia, *Labor Compliance Officer* | Amber supports labor compliance efforts for public works projects, including coordination of certified payroll review, tracking of labor compliance documentation, and ensuring adherence to prevailing wage and DIR requirements. She works closely with the construction management team and contractors to support compliance, maintain accurate records, and assist with reporting throughout the project.

Office Locations of Key Personnel

Key personnel are based in Southern California (Riverside and Corona), enabling rapid response, consistent field presence, and efficient coordination.

Subconsultant Qualifications

Ninyo & Moore, *Materials Testing Services* | Ninyo & Moore provides geotechnical and materials testing services for public infrastructure projects throughout Southern California. Services include field and laboratory testing for compaction, asphalt, and aggregate materials to ensure compliance with project specifications and standards. Their experience supports quality assurance and verification of construction materials.

Minagar & Associates, *Traffic Engineering* | Minagar & Associates provides traffic engineering services with expertise in traffic control, striping, and signage. Their team supports review and field verification of traffic control measures and final striping to ensure compliance with approved plans and standards. Their experience within active corridors supports safe and efficient traffic operations during construction.

Representative Project Experience

City of Pomona, Street Rehabilitation, Districts 1 & 6 (Federal Project No. STPL-5070(040))

This federally funded, multi-corridor rehabilitation project included full-depth reclamation (FDR), asphalt overlay, ADA upgrades, curb and gutter improvements, and new striping across multiple active roadways. The project required strict compliance with federal and state requirements, including DBE participation and prevailing wage regulations. Z&K provided construction management and inspection services including documentation control, SWPPP coordination, traffic control oversight, and compliance monitoring. Our team managed contractor submittals, RFIs, and pay estimates while coordinating with City staff to maintain schedule and minimize impacts to the traveling public.

Similar Project Characteristics

- ✓ Full depth reclamation (FDR) and pavement rehabilitation
- ✓ Multi-phase construction within active roadways
- ✓ SWPPP compliance and federal requirements
- ✓ Public coordination and access management

City of Downey, Woodruff Avenue Pavement Rehabilitation Project

This project involved full-depth pavement reconstruction along Woodruff Avenue following extensive underground utility coordination. The scope included asphalt concrete paving, curb and gutter replacement, ADA curb ramps, and corridor-wide striping improvements within an active urban roadway. Construction required phased traffic control, coordination with multiple utility agencies, and continuous access to adjacent businesses and residents. Z&K provided construction management and inspection services including constructability review, daily field observation, QA/QC documentation, SWPPP compliance coordination, and oversight of contractor schedule, RFIs, submittals, and pay estimates. Our team worked closely with City staff and stakeholders to maintain public access, minimize disruptions, and ensure high-quality construction.

Similar Project Characteristics

- ✓ Full depth pavement rehabilitation within an active corridor
- ✓ Traffic control staging and public access maintenance
- ✓ Utility coordination and roadway restoration
- ✓ SWPPP compliance and construction documentation

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project



This project involved roadway rehabilitation improvements along Mission Boulevard from Ben Nevis Boulevard to Bellegrave Avenue in the City of Jurupa Valley. The work included cold milling of existing pavement, asphalt concrete paving, localized pavement repairs, shoulder backing, and utility adjustments to grade. Construction was performed within an active arterial corridor requiring detailed traffic control, phased construction, and continuous access for the traveling public.

Z&K provided construction inspection services including daily field inspection, coordination with the contractor and materials testing team, and oversight of paving operations to ensure compliance with project specifications and City standards. Our team monitored asphalt placement and compaction, verified quantities, and documented daily construction activities while coordinating traffic control and maintaining public safety. This project demonstrates Z&K's experience delivering construction inspection services for roadway rehabilitation projects within active corridors, similar to the Avenue R Pavement Rehabilitation Project.

Similar Project Characteristics

- ✓ Pavement rehabilitation (cold mill and AC overlay)
- ✓ Traffic control and active corridor coordination
- ✓ Utility adjustments and roadway restoration
- ✓ Asphalt placement and compaction oversight

City of El Segundo, El Segundo Boulevard Improvement Project (PW 23-02)



The El Segundo Boulevard Improvement Project consisted of major arterial roadway improvements including pavement reconstruction, ADA curb ramps, traffic signal modifications, striping, and signage. Work was performed along a high-traffic corridor requiring detailed phasing to maintain vehicular circulation and business access.

Z&K provided construction management and inspection services including daily inspection, traffic control oversight, schedule monitoring, and coordination with City departments and utility providers. Our team ensured compliance with Greenbook standards, maintained project documentation, and supported resolution of field issues to keep construction on schedule.

City of Lake Forest, LFTM Street Improvement Projects (Rancho/Lake Forest, Jeronimo/Lake Forest, and Los Alisos/Rockfield)



This project involved roadway improvements at multiple locations throughout the City of Lake Forest, including work along Rancho Parkway, Jeronimo Road, Lake Forest Drive, Los Alisos Boulevard, and Rockfield Boulevard. The scope included pavement rehabilitation such as grinding and asphalt concrete overlay, slurry seal, curb and gutter, sidewalk and curb ramp reconstruction, utility adjustments to grade, traffic signal modifications, and striping within active roadways. Construction required phased implementation across multiple locations, detailed traffic control, and maintaining access along arterial and residential streets. The project also included SWPPP implementation, erosion control, and coordination with utility agencies and City staff to support efficient project delivery.

Z&K provided construction management and inspection support services, including coordination with contractors, review of submittals and RFIs, oversight of traffic control and paving operations, and documentation of construction activities. This project demonstrates Z&K's experience managing complex roadway improvements and phased construction within active corridors, similar to the Avenue R Pavement Rehabilitation Project.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project



This project involved roadway rehabilitation improvements along Market Street from Rubidoux Boulevard to 24th Street/Via Cerro in the City of Jurupa Valley. The work included pavement rehabilitation planning and coordination to support asphalt paving and roadway restoration within an active corridor requiring maintenance of traffic and access to adjacent businesses and properties. The project required coordination of field investigations, evaluation of existing pavement conditions, and development of recommendations to support construction and long-term roadway performance.

Z&K supported project coordination and pre-construction efforts, including review of pavement sections, coordination with design and geotechnical teams, and preparation for construction activities. Our team assisted with field coordination, documentation, and communication with project stakeholders to support efficient project delivery and minimize impacts to the traveling public. This project demonstrates Z&K's experience coordinating roadway rehabilitation efforts within active corridors, directly supporting construction management and inspection services similar to those required for the Avenue R Pavement Rehabilitation Project.

> ***Z&K has a strong record of successful project delivery with no history of debarment, false claims, or adverse contracting issues.***



c. Project Approach

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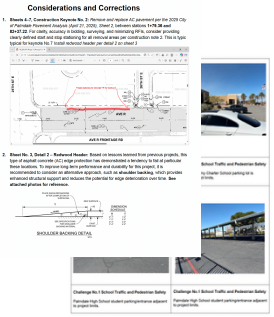
c. Project Approach

Z&K's approach to the project emphasizes proactive coordination, strong field oversight, and minimizing impacts to the traveling public and surrounding community. During pre-construction, Z&K will perform a constructability review to confirm limits of work, identify conflicts, and coordinate staging and sequencing of pavement rehabilitation activities, including full depth reclamation (FDR), milling, and paving. Our team will coordinate with the City, contractor, and utility agencies to develop a phasing plan that maintains traffic flow and access throughout the corridor. During construction, Z&K will provide full-time construction management and inspection services, including oversight of contractor performance, RFIs, submittals, change orders, and pay applications. Our team will maintain documentation through the City's VPM system and ensure compliance while minimizing disruptions to the public. Z&K will complete all tasks outlined in the RFP, including constructability review, construction management, inspection, public outreach, and coordination with stakeholders and agencies.

Key Project Challenges & Mitigation

Z&K reviewed the project documents, performed a preliminary constructability review, and conducted a site visit to evaluate existing conditions and identify coordination challenges. Key challenges and mitigation measures are summarized below. ***Full constructability review documentation is available upon request.***



School Coordination and Pedestrian Safety | The project impacts multiple schools, including Chaparral Prep Academy, Shadow Hills Magnet Academy, Mesquite Elementary School, Golden Poppy Elementary School, and Quail Valley Elementary School. Z&K will coordinate construction phasing to avoid peak drop-off and pick-up hours, maintain safe pedestrian access, and monitor traffic control measures to ensure student safety and ADA-compliant pathways.

Traffic Control and Public Access | Avenue R serves as a primary corridor requiring continuous access for residents, businesses, and emergency services. Z&K will review and monitor traffic control implementation, including lane closures, detours, and pedestrian access, to ensure compliance with approved plans and minimize disruption to the traveling public.

Full Depth Reclamation (FDR) Operations | FDR activities require careful control of depth, material mixing, and compaction to achieve consistent pavement performance. Z&K will monitor FDR operations, verify field adjustments, and coordinate with materials testing to ensure compliance with specifications and requirements.

Water Shutdown and Irrigation Coordination | FDR operations require temporary water shutdowns that may impact irrigation systems and adjacent properties. Z&K will coordinate with the contractor, Palmdale Water District, and stakeholders to implement phased shutdown and restoration plans to minimize impacts.

Dust, Noise, and Construction Impacts | Lime/cement treatment and FDR operations generate dust, noise, and vibration near schools and residential areas. Z&K will monitor dust control measures, enforce BMPs, and coordinate work activities to reduce impacts during sensitive hours.

Utility Coordination and Subsurface Conflicts | Pavement rehabilitation requires accurate identification and protection of underground utilities. Z&K will oversee potholing, verify utility locations, and coordinate with agencies to prevent conflicts and service disruptions.

SWPPP Compliance and Environmental Requirements | The project requires full compliance with SWPPP and permit requirements, including inspections, BMP implementation, and reporting. Z&K will coordinate with the Contractor's QSD/QSP and verify all inspections, documentation, and reporting are completed and maintained through VPM.

Construction Phasing Across Extended Corridor | The combined Phase 1 and Phase 2 limits increase complexity in sequencing and staging. Z&K will coordinate phasing to maintain traffic flow, minimize overlap of critical work areas, and ensure efficient progression of construction activities.

Site Photos can be accessed through the link below:

https://www.dropbox.com/scl/fo/cwadt80ord5nwll5xlih1/AMpyUXQ7lWjdMMiwkmPCje0?rlkey=xme0jox89uikmi8anoo740zrf&st=sfwlfpas&dl=0



d. Proposed Personnel

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d. Proposed Personnel

Z&K has assembled an experienced construction management team with extensive expertise in roadway rehabilitation, full depth reclamation (FDR), and public works construction oversight.

As illustrated in the organizational chart, Zack Faqih, PE, QSD/P, CBO, ICC Certified, will serve as the Senior Construction Manager/Resident Engineer and primary point of contact with the City throughout the duration of the project. Mr. Faqih will be responsible for overall project delivery, coordination, and decision-making throughout construction.

Zack will be supported by Omar Sharabi, PE, as Assistant Construction Manager/Resident Engineer, and Jesse Guzman, CESSWI, QSP, as Senior Construction Inspector, providing consistent field presence, inspection oversight, and coordination with the contractor, utility agencies, and stakeholders.

Public outreach will be led by Brittany Duhn, PE, QSD/P, who will support stakeholder coordination, public notifications, and communication with residents, businesses, and schools throughout construction. Labor compliance services will be provided by Amber Garcia, who will support certified payroll review, documentation tracking, and compliance with prevailing wage requirements.



Specialized support will be provided by Fred Minagar, MS, RCE, PE, FITE, serving as Traffic Engineer, and Ninyo & Moore, who will provide materials testing and geotechnical support services to ensure compliance with project specifications and quality requirements. Executive oversight will be provided by Crystal Fraire, PE, QSD/P, Principal-in-Charge. This team structure ensures strong leadership, technical expertise, and responsive communication with the City throughout construction.

This team provides dedicated leadership, full-time field presence, and specialized support to ensure efficient project delivery and consistent coverage throughout construction.

Additional Project Support Personnel

Z&K maintains a deep bench of experienced construction management professionals who can provide additional support as needed to maintain schedule, coverage, and specialized inspection requirements. While the personnel identified in this proposal are committed to performing the majority of the work, additional qualified staff may be assigned as needed to support project demands.

Personnel Continuity and City Approval

Zack Faqih will serve as the Construction Manager and primary point of contact with the City throughout the duration of the contract. Z&K is committed to maintaining continuity of the proposed team, and personnel will not be replaced without prior approval from the City. Should changes become necessary due to unforeseen circumstances, Z&K will provide personnel of equal or greater qualifications for the City's review and approval.

Zack Faqih, PE, QSD/P, CBO, ICC

Senior Construction Manager/Resident Engineer



Education

- MSCE – Civil Engineering, California State University, Fullerton
- BSCE – Engineering, California State University, Los Angeles

Licenses & Certifications

- Professional Civil Engineer, California No. C57958
- SWPPP QSD/QSP, No. 22055
- Certified Building Official (ICC #3741)
- Mechanical, Plumbing, Electrical Inspector (ICC Certified)
- OSHA 30-Hour Certification
- Temporary Pedestrian Facilities Training

Zack Faqih brings over 36 years of experience managing public infrastructure and capital improvement projects, with a strong focus on roadway rehabilitation, pavement reconstruction, and full depth reclamation (FDR). His experience spans complex municipal projects delivered within active corridors, requiring detailed traffic control, utility coordination, and continuous public access.

Mr. Faqih has extensive experience overseeing contractor performance, construction sequencing, RFIs, submittals, change orders, and payment applications, while coordinating closely with City staff, utility agencies, and project stakeholders. He is highly knowledgeable in Greenbook and Caltrans standards, traffic control requirements, and SWPPP compliance, and has a proven ability to maintain project schedule, budget, and quality on fast-paced public works projects. Throughout his career, Mr. Faqih has provided strong leadership in quality assurance/quality control, documentation management, and field coordination, ensuring compliance with project specifications and regulatory requirements.

Experience – Senior Construction Manager/Resident Engineer

City of Pomona, Street Rehabilitation, Districts 1 & 6 (Federal Project No. STPL-5070(040)) | This federally funded, multi-corridor rehabilitation project included full-depth reclamation (FDR), asphalt overlay, ADA upgrades, curb and gutter improvements, and new striping across multiple active roadways. The project required strict compliance with federal and state requirements, including DBE participation and prevailing wage regulations. As Senior Construction Manager/Resident Engineer, Zack oversaw construction management and inspection services, including documentation control, SWPPP coordination, traffic control oversight, and compliance monitoring. He managed contractor submittals, RFIs, and pay estimates while coordinating with City staff to maintain schedule and minimize impacts to the traveling public.

City of Downey, Woodruff Avenue Pavement Rehabilitation Project | This project involved full-depth pavement reconstruction along Woodruff Avenue following extensive underground utility coordination. The scope included asphalt paving, curb and gutter replacement, ADA curb ramps, and corridor-wide striping improvements within an active urban roadway. As Senior Construction Manager/Resident Engineer, Zack led constructability review, field coordination, and contractor oversight, including daily inspection activities, QA/QC documentation, SWPPP compliance, and review of schedules, RFIs, submittals, and pay estimates. He worked closely with City staff and stakeholders to maintain access, minimize disruptions, and ensure high-quality construction.

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | This project included roadway rehabilitation improvements along Mission Boulevard, consisting of cold milling, asphalt paving, localized pavement repairs, shoulder backing, and utility adjustments to grade within an active arterial corridor. As Senior Construction Manager/Resident Engineer, Zack oversaw field operations, contractor coordination, and inspection activities. He monitored paving operations, verified quantities, coordinated with materials testing, and ensured compliance with project specifications and City standards while maintaining safe traffic flow.

City of El Segundo, El Segundo Boulevard Improvement Project (PW 23-02) | This project involved major arterial roadway improvements, including pavement reconstruction, ADA curb ramps, traffic signal modifications, striping, and signage. Work was performed within a high-traffic corridor requiring detailed phasing and coordination to maintain vehicular circulation and business access. As Senior Construction Manager/Resident Engineer, Zack oversaw construction activities, traffic control implementation, and schedule monitoring, while coordinating with City departments and utility agencies. He ensured compliance with Greenbook standards and supported resolution of field issues to maintain project progress.

City of Lake Forest, LFTM Street Improvement Projects (Rancho Parkway, Jeronimo Road, Lake Forest Drive, Los Alisos Boulevard, and Rockfield Boulevard) | This project involved roadway improvements at multiple locations throughout the City, including pavement rehabilitation (grind and overlay, slurry seal), ADA upgrades, curb and gutter reconstruction, utility adjustments, traffic signal modifications, and striping. Construction required phased implementation across multiple corridors while maintaining access along arterial and residential streets. As Senior Construction Manager/Resident Engineer, Zack managed contractor coordination, reviewed submittals and RFIs, oversaw traffic control and paving operations, and ensured proper documentation and compliance with project requirements.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project | This project involved roadway rehabilitation improvements along Market Street, including pavement restoration within an active corridor requiring maintenance of traffic and access to adjacent businesses and properties. As Senior Construction Manager/Resident Engineer, Zack supported pre-construction coordination, including review of pavement sections, coordination with design and geotechnical teams, and preparation for construction activities. He also assisted with field coordination, documentation, and stakeholder communication to support efficient project delivery and minimize impacts to the traveling public.

City of Carson, Citywide Paving Project | This project involved citywide pavement rehabilitation improvements across multiple corridors, including asphalt overlay, localized pavement repairs, ADA upgrades, curb and gutter improvements, and striping. Construction required phased implementation, detailed traffic control, and coordination across multiple locations while maintaining public access. As Senior Construction Manager/Resident Engineer, Zack oversaw construction operations, contractor coordination, and inspection activities. He managed RFIs, submittals, and pay estimates, while ensuring compliance with City standards and maintaining schedule and quality across multiple work areas.

City of Costa Mesa, 2024–2025 Citywide Project No. 24-03 | This citywide pavement rehabilitation project included asphalt overlay, slurry seal, curb and gutter improvements, ADA ramp upgrades, and utility adjustments across multiple active roadways. The project required coordination of phased construction activities and traffic control while maintaining access to residential and commercial areas. As Senior Construction Manager/Resident Engineer, Zack managed contractor performance, coordinated field operations, and oversaw inspection and documentation. He ensured compliance with project specifications, maintained schedule control, and coordinated with City staff and stakeholders throughout construction.

City of Manhattan Beach, Cycle 2 Marine Avenue and 14th Street Improvements | This project involved roadway rehabilitation improvements along key corridors, including pavement reconstruction, asphalt overlay, ADA upgrades, and striping within a high-traffic urban environment. Construction required detailed phasing, traffic control, and coordination to maintain circulation and access. As Senior Construction Manager/Resident Engineer, Zack oversaw construction activities, traffic control implementation, and contractor coordination. He managed submittals, RFIs, and schedule tracking, ensuring compliance with project requirements and minimizing impacts to the traveling public.

City of Rancho Cucamonga, Almond Street Improvement Project | This project included roadway improvements consisting of pavement rehabilitation, concrete improvements, utility adjustments, and traffic control within an active corridor. Construction required coordination with utilities and stakeholders while maintaining access and minimizing disruption. As Senior Construction Manager/Resident Engineer, Zack oversaw field operations, contractor coordination, and inspection activities, ensuring compliance with project specifications and maintaining schedule and quality throughout construction.

Omar Sharabi, PE

Assistant Construction Manager/Office Engineer



Education

- California State University, Fullerton, BSCE

Licenses & Registration

- Professional Civil Engineer, California No. C98966
- 30-Hr Cal/OSHA/ CPR
- Defensive Driver
- Temporary Pedestrian
- First Aid Training
- Harassment Prevention
- Traffic Control
- Caltrans Roadway Safety Training
- Bridge Inspector Training

Omar Sharabi brings over a decade of experience providing construction inspection and field coordination for municipal infrastructure projects, including roadway rehabilitation, utility improvements, and public works construction. He has extensive experience working within active corridors, supporting pavement rehabilitation, traffic control implementation, ADA improvements, and utility coordination while maintaining public access and safety.

Mr. Sharabi has strong experience reviewing contractor activities for compliance with plans and specifications, coordinating RFIs and submittals, tracking project progress, and maintaining detailed inspection documentation. He works closely with City staff, contractors, and utility agencies to support efficient project delivery and timely resolution of field issues.

As Assistant Construction Manager/Resident Engineer, Mr. Sharabi will support day-to-day field operations, contractor coordination, and documentation management, ensuring compliance with project requirements and contributing to the successful delivery of the Avenue R Pavement Rehabilitation Project.

Experience – Assistant Construction Manager/Resident Engineer

City of Downey, Woodruff Avenue Pavement Rehabilitation Project. This project involved full-depth pavement reconstruction along Woodruff Avenue, including asphalt paving, curb and gutter replacement, ADA curb ramps, and corridor-wide striping within an active urban roadway. As Assistant Construction Manager/Resident Engineer, Omar supported field operations, contractor coordination, and inspection activities. He assisted with review of RFIs and submittals, monitored construction progress, verified quantities, and maintained daily inspection documentation. Mr. Sharabi coordinated with City staff, contractors, and utility agencies to support traffic control implementation, maintain public access, and ensure compliance with project specifications.

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | This project included roadway rehabilitation improvements along Mission Boulevard, consisting of cold milling, asphalt concrete paving, localized repairs, shoulder backing, and utility adjustments within an active arterial corridor. As Assistant Construction Manager/Resident Engineer, Omar supported daily field inspection and coordination with the contractor and materials testing team. He monitored paving operations, verified compaction and placement, documented construction activities, and ensured compliance with City standards. His role included supporting traffic control coordination and maintaining safe conditions for the traveling public throughout construction.

City of Carson, Citywide Street Rehabilitation and Slurry Seal Program | This citywide pavement rehabilitation program included asphalt overlay, slurry seal, pavement repairs, ADA improvements, and striping across multiple corridors throughout the City. As Assistant Construction Manager/Resident Engineer, Omar supported inspection and construction management efforts across multiple work areas. He assisted with contractor coordination, monitored traffic control and phasing, verified compliance with plans and specifications, and maintained detailed documentation of construction progress. Mr. Sharabi worked closely with City staff and stakeholders to minimize impacts to residents and ensure efficient delivery of the program.

Jesse Guzman, CESSWI, QSP

Senior Construction Inspector



Licenses & Certifications

- CESSWI – Certified Erosion Sediment and Storm Water Inspector
- QSP – Qualified Storm Water Practitioner
- Rule 403 South Coast Air Basin Fugitive Dust Training
- Confined Space Competent Person Certified
- Rigging Certified
- OSHA 30 Hour Training

Jesse brings over 25 years of experience providing construction inspection services for municipal infrastructure and roadway rehabilitation projects. His experience includes pavement rehabilitation, full depth reclamation (FDR), asphalt paving, ADA improvements, and utility coordination within active roadway environments. Mr. Guzman has strong expertise in SWPPP implementation, BMP monitoring, and environmental compliance, ensuring projects meet regulatory requirements throughout construction. He is experienced in daily inspection, documentation, and coordination with contractors, materials testing teams, and City staff to verify compliance with plans, specifications, and safety standards. As Senior Construction Inspector, Mr. Guzman will provide full-time field inspection services, monitor construction activities, document daily progress, and ensure traffic control and public safety measures are properly implemented, supporting the successful delivery of the Avenue R Pavement Rehabilitation Project.

Experience – Senior Construction Inspector

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | Provided construction inspection for roadway rehabilitation including cold milling, asphalt paving, and utility adjustments within an active arterial corridor. Monitored paving operations, traffic control, and public safety while verifying compliance with plans and specifications and coordinating with the contractor and materials testing team.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project | Supported construction inspection and field coordination for roadway rehabilitation improvements within an active corridor. Assisted with monitoring construction activities, documenting progress, and coordinating with stakeholders to maintain access and ensure compliance with project requirements.

City of El Segundo, El Segundo Boulevard Improvement Project (PW 23-02) | Performed construction inspection for arterial roadway improvements including pavement reconstruction, ADA curb ramps, striping, and traffic signal work. Monitored traffic control, construction sequencing, and contractor compliance while maintaining public access.

City of Downey, Woodruff Avenue Pavement Rehabilitation Project | Provided construction inspection for full-depth pavement reconstruction including asphalt paving, ADA improvements, and utility coordination. Monitored daily construction activities, traffic control, and SWPPP compliance while maintaining documentation and supporting contractor coordination.

City of Pomona, Street Rehabilitation, Districts 1 & 6 (STPL-5070(040)) | Provided inspection services for a federally funded, multi-corridor pavement rehabilitation project including FDR, asphalt overlay, and ADA improvements. Monitored construction activities, supported SWPPP compliance, and verified adherence to project specifications and regulatory requirements.

City of Manhattan Beach, Cycle 2 Marine Avenue and 14th Street Improvements | Provided construction inspection for roadway rehabilitation improvements including pavement reconstruction, asphalt overlay, ADA upgrades, and striping within a high-traffic urban corridor. Monitored traffic control, construction phasing, and contractor compliance while maintaining access and supporting coordination with City staff and stakeholders.

Brittany Duhn, PE, QSD/P

Public Outreach Coordinator



Education

- Bachelor of Science, Civil Engineering, California Polytechnic State University, Pomona

Licenses & Certifications

- Professional Engineer, P.E. State of California, #91078
- SWPPP (QSD) & (QSP) Certificate #27609
- 30-Hr. Cal OSHA

Brittany Duhn brings extensive experience supporting stakeholder coordination and public outreach for municipal infrastructure projects within active communities. She has a strong understanding of how construction activities impact residents, businesses, and schools, and works proactively to ensure clear communication and minimize disruption throughout project delivery.

Ms. Duhn leads public outreach efforts including preparation and distribution of bilingual notifications, coordination with City staff and stakeholders, and communication of construction activities, lane closures, and schedule updates. She works closely with the construction management team to align outreach efforts with project phasing and traffic control operations, ensuring timely and accurate information is shared with the public.

Her approach emphasizes proactive engagement, clear and consistent messaging, and responsiveness to community concerns, helping maintain public awareness and support safe, efficient project delivery. For the Avenue R Pavement Rehabilitation Project, Ms. Duhn will coordinate outreach with nearby schools, residents, and businesses to minimize impacts and support effective communication throughout construction.

Experience – Public Outreach Coordinator

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | Supported public outreach and stakeholder coordination for roadway rehabilitation within an active arterial corridor. Assisted with preparation and distribution of notifications, coordination of construction phasing impacts, and communication of schedule updates, lane closures, and traffic changes to residents and businesses to maintain public awareness and minimize disruption.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project | Supported public outreach and coordination efforts for corridor improvements within an active community. Assisted with stakeholder communication, project notifications, and coordination with City staff to inform residents and businesses of construction activities and maintain access throughout the project.

City of El Segundo, El Segundo Boulevard Improvement Project (PW 23-02) | Supported public outreach for arterial roadway improvements including pavement rehabilitation, ADA upgrades, and striping. Assisted with communicating construction activities, traffic impacts, and schedule updates to stakeholders, helping maintain public awareness and minimize impacts to the traveling public and adjacent businesses.

City of Carson, Citywide Street Rehabilitation and Slurry Seal Program | Supported public outreach and communication efforts for a multi-phase, citywide pavement rehabilitation program. Assisted with coordination of notifications, stakeholder communication, and dissemination of construction updates across multiple work areas to maintain public awareness and support efficient project delivery.

Amber Garcia

Labor Compliance Officer



Education

- Bachelor of Business Administration – Long Beach State University

Amber Garcia provides labor compliance support for public works projects, ensuring adherence to prevailing wage, DIR, and contract requirements. She has experience reviewing certified payroll records, tracking compliance documentation, and coordinating with contractors and project teams to address discrepancies and maintain accurate reporting throughout construction.

Ms. Garcia works closely with the construction management team and City staff to support timely submission, review, and resolution of labor compliance requirements. Her approach emphasizes organization, attention to detail, and proactive coordination to ensure compliance with applicable regulations.

For the Avenue R Pavement Rehabilitation Project, Ms. Garcia will support ongoing labor compliance monitoring, documentation tracking, and coordination with the contractor to ensure all requirements are met throughout the duration of construction.

Experience – Labor Compliance Officer

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | Supported labor compliance efforts for roadway rehabilitation within an active arterial corridor. Assisted with review of certified payroll, tracking compliance documentation, and coordinating with the contractor and project team to ensure adherence to prevailing wage and DIR requirements throughout construction.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project | Provided labor compliance support for corridor improvements, including review of payroll submissions, documentation tracking, and coordination with project staff to maintain compliance with contract requirements and applicable regulations.

City of El Segundo, El Segundo Boulevard Improvement Project (PW 23-02) | Supported labor compliance activities for arterial roadway improvements, including certified payroll review, documentation tracking, and coordination with contractors to ensure compliance with prevailing wage requirements and project specifications.

City of Carson, Citywide Street Rehabilitation and Slurry Seal Program | Provided labor compliance support for a multi-phase, citywide pavement rehabilitation program. Assisted with tracking certified payroll, coordinating with contractors to address discrepancies, and maintaining compliance documentation across multiple work areas.

City of Downey, Woodruff Avenue Pavement Rehabilitation Project | Supported labor compliance for full-depth pavement reconstruction, including review of certified payroll records, coordination with contractors, and tracking compliance documentation to ensure adherence to prevailing wage and DIR requirements.

City of Rancho Cucamonga, Almond Street Improvement Project | Supported labor compliance efforts for roadway improvements including pavement rehabilitation, concrete work, and utility adjustments within an active corridor. Assisted with review of certified payroll records, tracking compliance documentation, and coordinating with contractors and project staff to ensure adherence to prevailing wage and DIR requirements throughout construction.

Fred Minagar, MS, RCE, PE, FITE (*Minagar & Associates*)

Traffic Engineer



Education

- Harvard University, John F. Kennedy School of Government, Executive Education, Leadership Decision Making Program Diploma
- The George Washington University, Washington, D.C. ITS Program Diploma
- Pepperdine University School of Law, Malibu, CA, Negotiation Skills & Advocacy
- St. John's University, New York, NY, Management Diploma
- New York University, New York, NY, Management Practice
- University of Cincinnati, Cincinnati, OH, M.S. Transportation Engineering
- University of Louisiana, B.S.C.E. Civil Engineering

Licenses & Certifications

- National Council of Examiners for Engineering & Surveying, No. 9112
- CA: Registered Civil Engineering. No. C053466

Fred Minagar is a licensed Traffic Engineer with extensive experience in traffic engineering, traffic control, and transportation planning for public infrastructure projects. He has supported numerous roadway rehabilitation and capital improvement projects, providing expertise in traffic control plan review, striping and signage design, and field verification of traffic operations within active corridors.

Mr. Minagar is highly knowledgeable in California MUTCD standards and local agency requirements, and has experience coordinating with City staff, contractors, and stakeholders to ensure safe and efficient traffic operations during construction. His work includes review and implementation of traffic control measures, evaluation of lane closures and detours, and inspection of final striping and signage to confirm compliance with approved plans. For the Avenue R Pavement Rehabilitation Project, Mr. Minagar will support traffic control review and field verification, ensuring safe traffic operations, proper implementation of traffic control plans, and compliance with applicable standards throughout construction.

Experience – Traffic Engineer

City of South Pasadena, On-Call Traffic Engineering Services | Provided traffic engineering services supporting capital improvement projects, including traffic signal design, timing and synchronization, traffic calming, and Safe Routes to School evaluations. Supported construction-phase coordination by reviewing traffic control plans, signal operations, and staging to maintain safe and efficient traffic flow during roadway improvements.

City of Colton, City Traffic Engineer | Provided traffic engineering services for multiple capital improvement projects, including traffic signal design, traffic studies, and coordination of traffic control for roadway construction. Supported construction activities by reviewing traffic control staging, coordinating with contractors, and ensuring compliance with City standards and Caltrans requirements.

City of Mission Viejo, On-Call Traffic Engineering Services | Supported roadway improvement projects by reviewing traffic control plans, coordinating signal timing, and monitoring construction-phase traffic operations. Worked closely with City staff and contractors to maintain traffic flow and minimize impacts to the public during construction.

City of Lake Forest, On-Call Traffic Engineering Services | Provided traffic engineering support for roadway rehabilitation and improvement projects, including traffic control plan review, signal modifications, and field coordination. Assisted with maintaining safe traffic operations and compliance with project requirements during construction.

City of Glendora, Traffic Engineering and Signal Improvements | Supported traffic engineering efforts for intersection and roadway improvements, including review of traffic signal design, traffic control staging, and construction coordination to ensure safe and efficient project delivery.

City of Irvine, Traffic Engineering and Construction Support | Provided traffic engineering support for roadway and intersection projects, including review of construction-phase traffic control, signal coordination, and collaboration with City staff and contractors to maintain safe operations during active construction.

Garreth Saiki, PE, GE (*Ninyo & Moore*)

Geotechnical & Materials Testing Principal Engineer



Education

- MBA, 1998, University of California Davis
- M.S., Geotechnical Engineering, 1989, University of California Berkeley
- B.S., Civil Engineering, 1987, University of California Berkeley

Licenses & Certifications

- PE 49665 (California)
- GE 2509 (California)
- Nuclear Gauge Operator Certification

Garreth Saiki is a licensed Professional Civil Engineer and Geotechnical Engineer with over 35 years of experience providing geotechnical engineering, materials testing, and construction support services for public infrastructure projects. As a Principal Engineer with Ninyo & Moore, he has extensive experience supporting roadway, transportation, and municipal projects requiring coordination of field testing, geotechnical observation, and compliance with project specifications.

Mr. Saiki oversees geotechnical evaluations, materials testing, and inspection services during construction, including soil and pavement evaluation, foundation support, and verification of compaction and material quality. He provides technical oversight, reviews laboratory and field test results, and ensures compliance with applicable standards including Caltrans, AASHTO, and Greenbook requirements.

For the Avenue R Pavement Rehabilitation Project, Mr. Saiki will provide technical oversight of materials testing and geotechnical services, supporting full depth reclamation (FDR), pavement reconstruction, and construction quality control to ensure compliance with project specifications and successful project delivery.

Experience – Geotechnical & Materials Testing Principal Engineer

City of Jurupa Valley, Mission Boulevard Pavement Rehabilitation Project | Provided geotechnical and materials testing oversight for roadway rehabilitation including cold milling, asphalt paving, shoulder backing, and utility adjustments within an active arterial corridor. Supported field testing, compaction verification, and review of material properties to ensure compliance with project specifications. Coordinated closely with the construction team and inspection staff to support paving operations, maintain quality control, and ensure proper documentation throughout construction.

City of Jurupa Valley, Market Street Pavement Rehabilitation Project | Provided geotechnical support and materials testing coordination for pavement rehabilitation within an active corridor. Assisted with evaluation of existing pavement conditions, field testing, and verification of compaction and material quality. Supported construction activities through coordination with the design and construction teams, ensuring compliance with project specifications and maintaining consistent construction quality.

City of Carson, Citywide Street Rehabilitation and Slurry Seal Program | Provided geotechnical and materials testing support for a multi-phase, citywide pavement rehabilitation program including asphalt overlay, slurry seal, and concrete improvements. Oversaw field testing, compaction verification, and documentation across multiple work areas, coordinating with construction teams and inspectors to ensure compliance with project specifications and consistent quality control throughout the program.

City of Costa Mesa, 2024–2025 Citywide Project No. 24-03 | Provided materials testing and geotechnical support services for a citywide pavement rehabilitation program including asphalt overlay, slurry seal, ADA improvements, and utility adjustments. Supported field testing, laboratory coordination, and documentation, ensuring compliance with project specifications. Worked closely with the project team to maintain construction quality and support efficient delivery across multiple corridors.



e. Quality Assurance / Quality Control

Z&K CONSULTANTS
BUILDING SOLUTIONS

e. Quality Assurance/Quality Control Procedures

Z&K Consultants, Inc. (Z&K) will implement a project-specific Quality Assurance / Quality Control (QA/QC) Plan to ensure all Construction Management and Observation services for the Avenue R Pavement Rehabilitation Project (PN 917A) are accurate, consistent, and compliant with contract documents, City standards, and applicable regulations. Z&K's QA/QC program emphasizes independent oversight, field verification, and disciplined documentation throughout all phases of the project, with a focus on roadway rehabilitation, full depth reclamation (FDR), traffic control, and coordination within an active corridor.

QA/QC Oversight and Responsibility

QA/QC responsibilities are integrated into Z&K's project management structure to provide multiple levels of review and accountability. The Construction Manager is responsible for daily quality control of field activities, inspection reports, coordination efforts, and documentation accuracy. Independent quality assurance oversight is provided by Z&K's Principal-in-Charge, who performs periodic reviews of key deliverables to confirm compliance with contract requirements, City standards, and professional best practices.

QA/QC Approach

Engineering Design and Constructability Review | Z&K will perform a focused engineering design and constructability review of the plans, specifications, and engineer's estimate. This review will evaluate FDR operations, pavement transitions, utility interfaces, traffic control staging, school coordination, and access constraints. Review comments will be documented and coordinated with the City and design team to minimize RFIs and prevent delays prior to construction.

Construction Phase QA/QC | Z&K will implement field-based QA/QC procedures to verify construction activities comply with approved plans, specifications, Greenbook standards, Caltrans requirements, and City standards. Particular attention will be given to FDR operations, compaction and material quality, traffic control implementation, and maintaining safe access near schools and adjacent properties. Daily inspection reports, photo documentation, and material testing results will be reviewed for accuracy and completeness.

Deliverable QA/QC Review | All project deliverables—including RFIs, submittals, schedules, progress payment recommendations, change orders, inspection reports, and weekly working day statements—will undergo QA/QC review prior to submission. Deliverables will be reviewed for technical accuracy, completeness, and consistency with contract documents and tracked through the City's Virtual Project Management (VPM) system.

Coordination Review and Issue Resolution | Z&K will perform ongoing coordination reviews to ensure alignment between the contractor, design engineer, utility agencies, subconsultants, and City staff. Potential conflicts or non-conformance items will be documented and tracked through VPM until resolved, supporting schedule control and minimizing rework.

Public Outreach QA/QC | Z&K will implement QA/QC procedures specific to public outreach to ensure all communications are accurate, timely, and aligned with project phasing and traffic control activities. Public outreach materials, including bilingual notifications, mailers, meeting materials, and website or social media updates, will be reviewed for clarity, consistency, and accuracy prior to distribution.

Outreach efforts will be coordinated with construction activities to ensure that residents, businesses, and schools receive advance and reliable information regarding construction schedules, lane closures, and access impacts. Special attention will be given to coordination with nearby schools to avoid peak drop-off and pick-up periods and ensure safe pedestrian access. All outreach activities and communications will be documented and tracked through VPM to maintain consistency and accountability.

Environmental Compliance and SWPPP Oversight | Z&K will verify implementation of the Storm Water Pollution Prevention Plan (SWPPP), including coordination with the Contractor's QSD/QSP, inspection of BMPs, and review of required reporting and documentation. QA/QC procedures will ensure compliance with permit requirements and proper documentation within VPM.

Closeout QA/QC | During closeout, Z&K will verify completion of punch-list items, confirm accuracy of as-built documentation, and review testing results and certifications for completeness. Public outreach records and coordination documentation will also be reviewed to ensure a complete and compliant project record prior to final acceptance.



f. Schedule Control

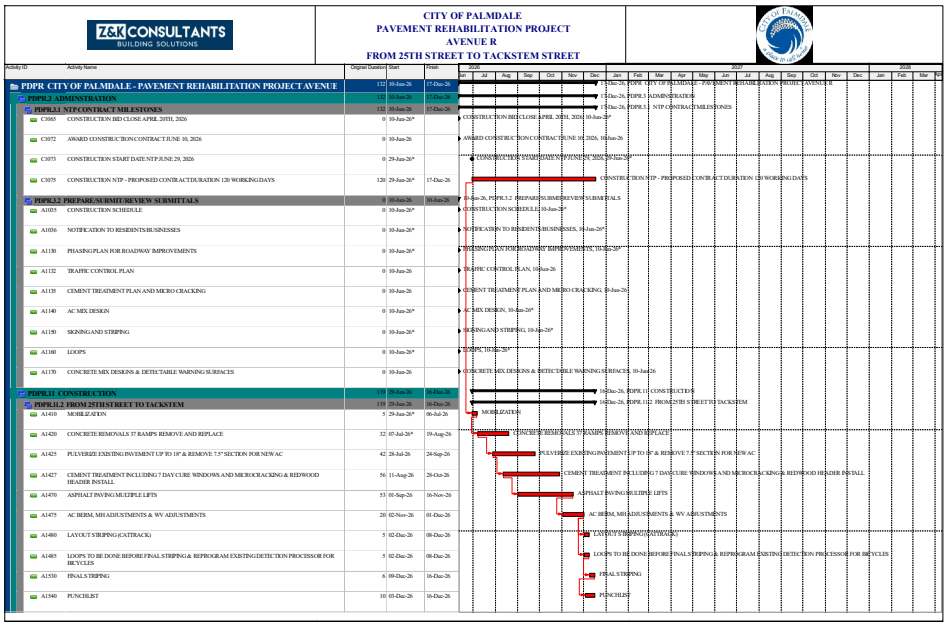
Z&K CONSULTANTS
BUILDING SOLUTIONS

f. Schedule Control

Z&K understands that time is of the essence for the Avenue R Pavement Rehabilitation Project (PN 917A). Our approach to schedule control emphasizes early planning, proactive coordination, and continuous monitoring to ensure construction activities remain on schedule while maintaining safe traffic flow and minimizing impacts to residents, businesses, and nearby schools along this active corridor.

Approach to Schedule Control

Z&K's schedule control procedures integrate proactive planning, field coordination, and disciplined documentation to maintain accountability throughout all phases of construction. By linking schedule activities to the City's Virtual Project Management (VPM) system, Z&K provides real-time visibility into project progress, key milestones, and potential schedule risks.



During pre-construction, Z&K will coordinate with the City and contractor to establish the project schedule framework and confirm major milestones, phasing, and sequencing of roadway rehabilitation activities, including full depth reclamation (FDR), cold milling, paving operations, utility adjustments, and traffic control staging. A constructability and coordination review will be performed to identify potential conflicts related to utilities, traffic control, access constraints, and school operations prior to construction.

Z&K will review and validate the contractor's Critical Path Method (CPM) schedule for logic, durations, and sequencing of key activities. Particular attention will be given to FDR operations, traffic control implementation, utility coordination, and maintaining access along the corridor. Long-lead items, including materials, traffic signal components, and striping operations, will be identified early and tracked to reduce schedule risk.

During construction, Z&K will maintain daily schedule oversight through field reports, photo documentation, and weekly coordination meetings. A three-week look-ahead schedule will be reviewed with the contractor to anticipate inspections, materials testing, traffic control changes, and coordination with City operations and nearby schools. This process allows potential conflicts to be identified early and resolved before impacting the critical path.

Z&K will track actual progress against the baseline schedule using VPM and progress logs. When potential delays are identified, Z&K will work with the contractor and City staff to evaluate recovery strategies such as resequencing work activities, adjusting traffic control staging, or coordinating additional resources to maintain project momentum.

Preventing Delays and Maintaining Schedule

Z&K has successfully applied these schedule control techniques on similar roadway rehabilitation projects involving active corridors and complex traffic conditions. Proactive constructability review, coordination of traffic control, and early identification of utility conflicts allow work activities to be sequenced and coordinated efficiently, minimizing delays and maintaining access for the public.

By combining proactive planning, continuous field oversight, and real-time schedule tracking, Z&K will help the City maintain schedule control and deliver the Avenue R Pavement Rehabilitation Project efficiently while minimizing disruptions to the traveling public and surrounding community.



g. Fee Schedule / Cost Proposal

Z&K CONSULTANTS
BUILDING SOLUTIONS

g. Fee Schedule/Cost Proposal

Z&K is pleased to submit our Cost Proposal for Professional Construction Management and Observation Services for Avenue R Pavement Rehabilitation Project (PN 917A). Our not-to-exceed lump sum fee for Construction Management and Inspection Services is $519,392.00, based on an anticipated 120 working days.

Cost Proposal for Professional Construction Management and Observation Services for Avenue R Pavement Rehabilitation Project (PN 917A)										
Task/ Classification	**Senior Construction Manager**	**Senior Construction Observer**	**Assistant Construction Manager**	**Constructability Reviewer(s)**	**Traffic Engineer**	**Labor Compliance Officer**	**Graphic Designer / Website Designer**	**Public Outreach Coordinator**	**Material Testing (Ninyo & Moore)**	**Total Cost**
Hourly Rate	**$208.00**	**$198.00**	**$174.00**	**$198.00**	**$204.00**	**$158.00**	**$154.00**	**$156.00**	**-**	**-**
Task 1. Constructability Review (Pre-Construction)	48	36	40	32	8	4	8	8		**$35,152**
Task 2. Meetings	48		60	4		12	12	16		**$27,456**
Task 3. Construction Management	552		180							**$146,13**
Task 4. Construction Observation and Reporting		944								**$186,912**
Task 5. Labor Compliance						120				**$18,960**
Task 6. Geotechnical and Material Testing									$63,360	**$63,360**
Task 7. Survey	12	16								**$5,664**
Task 8. Traffic Signing and Striping Inspection					40					**$8,160**
Task 9. Interactive Map on City Website							48	24		**$11,136**
Task 10. Notification Letter to Residents/ Businesses								24		**$3,744**
Project Close Out	16	20	24			4	4			**$12,712**
TOTAL HOURS	**676**	**1016**	**304**	**36**	**48**	**140**	**72**	**72**	**-**	**-**
TOTAL	**$140,608**	**$201,168**	**$52,896**	**$7,128**	**$9,792**	**$22,120**	**$11,088**	**$11,232**	**$63,360**	**$519,392**

Cost Proposal Terms & Conditions

Monitoring Scope | Certain tasks include monitoring services only. Soils and materials testing will be performed by the City's on-call testing consultant, and survey services will be provided by the Contractor unless otherwise directed.

Expenses | Lodging, mileage, and standard photocopying costs are included in the hourly rates and will not be billed separately.

Prevailing Wage Adjustments | This proposal assumes prevailing wage inspection services are required. Hourly rates will be adjusted in accordance with wage increases issued by the California Department of Industrial Relations (DIR). This proposal is based on Determination SC-23-63-2-2025-1D issued August 22, 2025, with the next anticipated adjustment July 1, 2026.

Hourly Rates | Hourly rates are fully burdened and include overhead fringe benefits, insurance, and standard equipment. A full rate schedule for additional personnel is available upon request.

Subconsultants | Subconsultant services, if required, will be billed at cost plus a 10% markup for coordination and administration.

Exclusions | Geotechnical testing, materials testing, surveying, labor compliance, deputy and specialty inspection, and SWPPP preparation or inspection are excluded unless added by amendment.

Overtime | Overtime (1.5x) applies to hours exceeding 8 per day or 40 per week; double time (2.0x) applies on Sundays, holidays, or as required by labor law. Inspectors will be onsite whenever the contractor is working.

Invoicing | Estimated hours may be reallocated among staff or tasks while remaining within the approved not-to-exceed amount. Invoices will be submitted monthly with labor breakdowns by task and staff. Payment terms are Net 30. Additional documentation requests beyond standard invoicing will be billed at $148/hour.

Late Payment | Per California Public Contract Code §20104.50, interest of 10% annually may be applied to undisputed invoices unpaid after 30 days.



Appendix A. Addendum Acknowledgement

CITY OF PALMDALE
PN 917 AVENUE R PAVEMENT REHABILITATION
MARCH 9, 2026
ADDENDUM NO. 01

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1. This Addendum No. 01 forms a part of the Bidding and Contract Documents and modifies the RFQ Package for the City of Palmdale's PN 917A Construction Management for Avenue R Pavement Rehabilitation Project.

2. Bidders must acknowledge receipt of this Addendum No.01 in the Proposal Forms section of the RFQ Documents. In addition, Bidders must choose the [Addenda/Emails] tab on Planet Bids to read and acknowledge all issued addenda.

3. This Addendum modifies the Bidding and Contract Documents as follows: The Bid Due Date has been extended in Section A (Notice Inviting Bids), Section B (Invitation to Bids), and Section x-x (Bid Schedule). The new Bid Due Date is Tuesday, March 24, 2026.

4. The construction duration of the contract has been modified and extended from 60 Working Days to 120 Working Days.

5. Proposers shall acknowledge that four new documents were uploaded to Planet Bids. The four documents are the following : a) "01_PN 917-Phase 2 E Avenue R Street Rehabilitation Plan.pdf" b) "02.1_PN 917-Phase 2 Specifications-General Provisions" c) "02.2_PN 917-Phase 2 Specifications-Special Provisions" d) "03_PN 917-Phase 2 Engineer's Estimate". The purpose of these documents are to extend the project limits from 40th Street to Tackstem Ave. The new total project limits are from 25th Street East to Tackstem Ave.

Jonathan T. Wu, PE
Deputy Director of Public Works
City of Palmdale

3/9/26
Date

Please acknowledge below, within PlanetBids, and on the Bid Cover Form in the Bid Documents. Please include a signed copy with your qualifications package.

ACKNOWLEDGMENT OF ADDENDUM

I/We the undersigned, hereby acknowledged receipt of the above addendum, and understand that my/our bid may be disqualified if the addendum is not signed and included in the Proposal Documents.

Signature: Crystal Fraire

Name: Crystal Fraire, PE

Title: President

Company: Z&K Consultants, Inc.

Date: 03/24/2026

g. Fee Schedule/Cost Proposal

Z&K is pleased to submit our Cost Proposal for Professional Construction Management and Observation Services for Avenue R Pavement Rehabilitation Project (PN 917A). Our not-to-exceed lump sum fee for Construction Management and Inspection Services is $508,416.00, based on an anticipated 120 working days.

Cost Proposal for Professional Construction Management and Observation Services for Avenue R Pavement Rehabilitation Project (PN 917A)										
Task/ Classification	Senior Construction Manager	Senior Construction Observer	Assistant Construction Manager	Constructability Reviewer(s)	Traffic Engineer	Labor Compliance Officer	Graphic Designer / Website Designer	Public Outreach Coordinator	Material Testing (Ninyo & Moore)	Total Cost
Hourly Rate	$208.00	$198.00	$174.00	$198.00	$204.00	$158.00	$154.00	$156.00	-	-
Task 1. Constructability Review (Pre-Construction)	40	32	32		8	4	8	8		$24,968
Task 2. Meetings	48		60			12	12	16		$26,664
Task 3. Construction Management	552		180							$146,136
Task 4. Construction Observation and Reporting		944								$186,912
Task 5. Labor Compliance						120				$18,960
Task 6. Geotechnical and Material Testing									$63,360	$63,360
Task 7. Survey	12	16								$5,664
Task 8. Traffic Signing and Striping Inspection					40					$8,160
Task 9. Interactive Map on City Website							48	24		$11,136
Task 10. Notification Letter to Residents/ Businesses								24		$3,744
Project Close Out	16	20	24			4	4			$12,712
TOTAL HOURS	668	1012	296	0	48	140	72	72	-	-
TOTAL	$138,944	$200,376	$51,504	$0	$9,792	$22,120	$11,088	$11,232	$63,360	$508,416

Cost Proposal Terms & Conditions

Monitoring Scope | Certain tasks include monitoring services only. Soils and materials testing will be performed by the City's on-call testing consultant, and survey services will be provided by the Contractor unless otherwise directed.

Expenses | Lodging, mileage, and standard photocopying costs are included in the hourly rates and will not be billed separately.

Prevailing Wage Adjustments | This proposal assumes prevailing wage inspection services are required. Hourly rates will be adjusted in accordance with wage increases issued by the California Department of Industrial Relations (DIR). This proposal is based on Determination SC-23-63-2-2025-1D issued August 22, 2025, with the next anticipated adjustment July 1, 2026.

Hourly Rates | Hourly rates are fully burdened and include overhead fringe benefits, insurance, and standard equipment. A full rate schedule for additional personnel is available upon request.

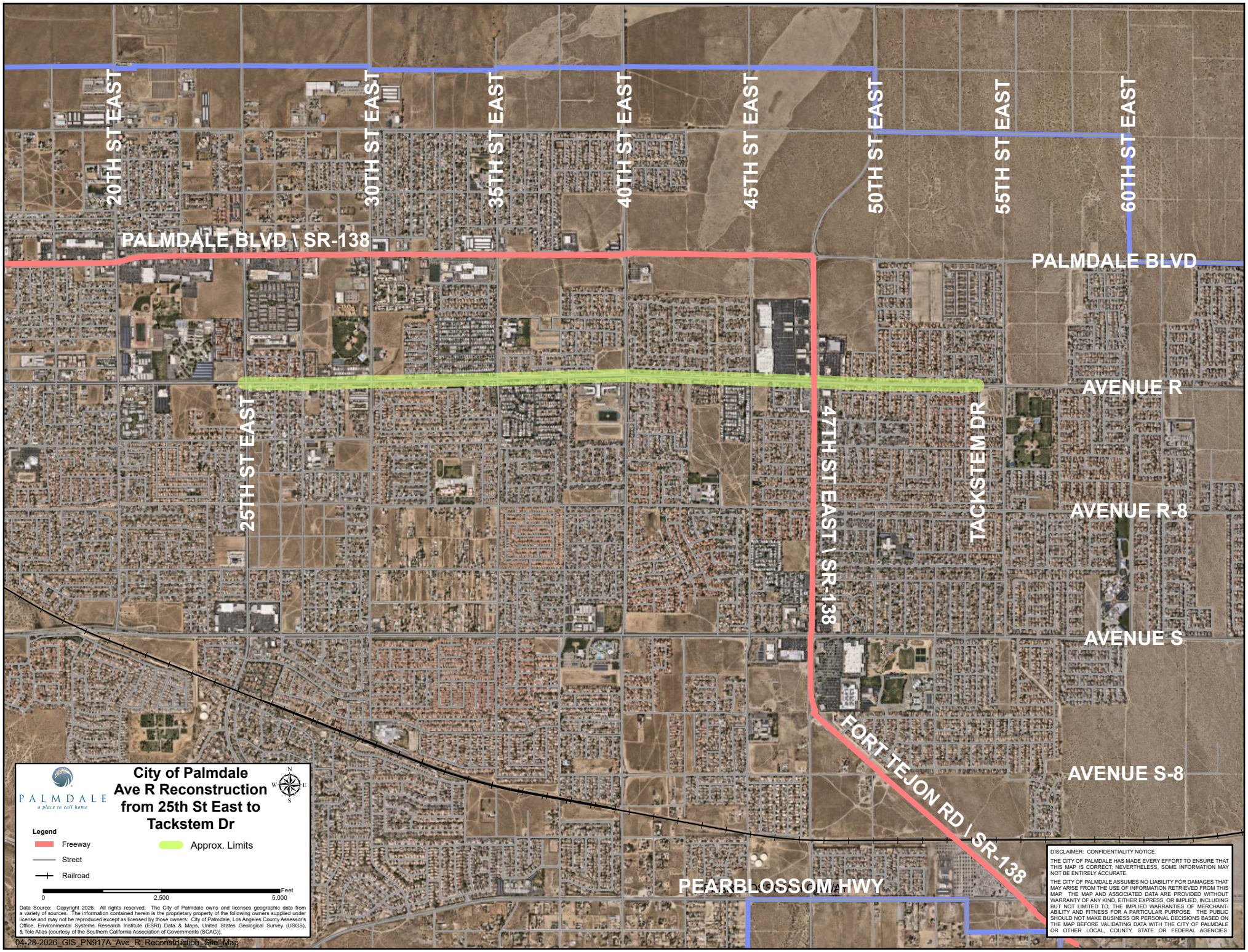
Subconsultants | Subconsultant services, if required, will be billed at cost plus a 10% markup for coordination and administration.

Exclusions | Geotechnical testing, materials testing, surveying, labor compliance, deputy and specialty inspection, and SWPPP preparation or inspection are excluded unless added by amendment.

Overtime | Overtime (1.5x) applies to hours exceeding 8 per day or 40 per week; double time (2.0x) applies on Sundays, holidays, or as required by labor law. Inspectors will be onsite whenever the contractor is working.

Invoicing | Estimated hours may be reallocated among staff or tasks while remaining within the approved not-to-exceed amount. Invoices will be submitted monthly with labor breakdowns by task and staff. Payment terms are Net 30. Additional documentation requests beyond standard invoicing will be billed at $148/hour.

Late Payment | Per California Public Contract Code §20104.50, interest of 10% annually may be applied to undisputed invoices unpaid after 30 days.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47TH ST EAST \ SR-138
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AVENUE R-8
AVENUE S
FORT TEJON RD \ SR-138
AVENUE S-8
PEARBLOSSOM HWY
PALMDALE
a place to call home
City of Palmdale
Ave R Reconstruction
from 25th St East to
Tackstem Dr
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Freeway
Approx. Limits
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04-28-2026_GIS_PN917A_Ave_R_Reconstruction_Site_Map

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE PROJECT AUTHORIZATION AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP FOR ANNUAL ASSESSMENT AND SPECIAL DISTRICT LEVY ADMINISTRATION SERVICES FOR A TOTAL NOT TO EXCEED AMOUNT OF $531,450 FOR A TERM OF THIRTY-EIGHT (38) MONTHS**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Project Authorization Agreement No. A-8883-E with NBS Government Finance Group (NBS) for Annual Assessment and Special District Levy Administration Services for a total not to exceed amount of $531,450 for a term of thirty-eight (38) months; and,

2. Authorize the Mayor to execute Agreement A-8883-E with NBS, including minimal and/or non-substantial changes.

BACKGROUND

The City routinely hires consultants specializing in various professional disciplines on an as-needed basis to conduct special studies. NBS has been identified as a specialized consulting services provider and currently has a Master Agreement No. A-8883 with the City to perform annual assessment and special district levy administration services. This project authorization agreement will continue these consulting services through the term of the Master Agreement, which expires on June 30, 2029, resulting in a 38-month authorization agreement.

DISCUSSION

The services involved in this Project Authorization Agreement would constitute a continuation of the services currently being performed by NBS which include; consulting

services related to special districts, district formation/annexation services for development projects (including vote tabulation and Public Hearing attendance), annual levy administration services for the City's existing landscape, streetlight, drainage, park maintenance and improvements districts, and the annual sewer service charge, data collection and fund analysis, annual reporting and cost analysis studies, and district administrative services.

FISCAL IMPACT

$531,450; Sufficient funds are budgeted in Fund 250 (Park Maintenance and Recreation Improvement District), Fund 251 (Landscape Maintenance Districts), Fund 252, 255, 256, and 257 (Street Light Assessment Districts), Fund 253 (Drainage Benefit Assessment Districts), Fund 254 (Sewer Maintenance). Additional funding will be budgeted for each subsequent fiscal year to account for these services over the life of the agreement.

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 Cities long-tern fiscal health.
B. Establish healthy reserves for ongoing replacement and repair of capital while stabilizing annual spending.

Prepared by:	Leonardo Torres, P.E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-8883-E with NBS Government Finance Group
Scope of Services
Compensation for Services
Agrmt No. A-8883 with NBS Government Finance Group

AGREEMENT NO. A-8883-E
AUTHORIZATION AGREEMENT
WITH NBS GOVERNMENT FINANCE GROUP
PURSUANT TO ONGOING CONTRACT NO. A-8883

This AGREEMENT is made and entered into by and between the City of Palmdale, a municipal corporation (hereinafter referred to as “CITY”) and NBS GOVERNMENT FINANCE GROUP (hereinafter referred to as “CONTRACTOR/CONSULTANT”) and is an Authorization Agreement entered into pursuant to Ongoing Contract No. A-8883This Contract shall become effective on the date of the last signatory.

WHEREAS, the term of Ongoing Contract No. A-8883 between the CITY and CONTRACTOR/CONSULTANT is from 07/01/2024 to 06/30/2029.

CITY and CONTRACTOR/CONSULTANT, in consideration of the mutual covenants herein set forth, agree as follows:

ARTICLE 1. DESCRIPTION OF WORK

The scope of work for this project consists of the following work:

Assessment Districts and Sewer Service Charge Administration
Cost Estimation Tool and Budget Tool Annual Updates
GIS Mapping Annual Updates
Community Facilities District Annexation Services (Non-Bonded, Landowner Vote, In Future Annexation Area)
1972 Act Assessment District Formation - Maintenance District

CONSULTANT’s complete scope of services is attached as Exhibit 'A'.

The CONTRACTOR/CONSULTANT shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a Change Order, or amendment to this Agreement and signed by CITY.

ARTICLE 2. PROJECT STAFF

CONTRACTOR/CONSULTANT shall use only those employees, and sub consultants listed below:

Staff assigned by NBS Government Finance Group

ARTICLE 3. CONTRACT PRICE

CITY shall pay CONTRACTOR/CONSULTANT for completion of the Work in accordance with the Contract Documents a fee not to exceed FIVE HUNDRED THIRTY ONE THOUSAND FOUR HUNDRED AND FIFTY Dollars ($531,450) determined and payable as set forth in Ongoing Contract No. A-8883 at the following Fee Schedule:

Compensation for Services - Annual Fees:

Assessment Districts and Sewer Service Charge Administration
Park Maintenance and Recreation Improvement Districts $24,500
Landscape Maintenance Assessment Districts $20,825
Streetlight Maintenance Assessment Districts $20,825
Drainage Benefit Assessment Districts $6,500
Sewer Collection Service Charge $17,500

Cost Estimation Tool and Budget Tool Annual Updates
Consulting Services $7,500

GIS Mapping Annual Updates
Consulting Services $7,500

Subtotal: $105,150

Annual estimate for annexation and formation services:
Community Facilities District Annexation Services:
Qty. 6 at $3,500.....$21,000

1972 Act Assessment District Formation - Maintenance District:
Qty. 6 at $8,500.....
$51,000

Subtotal: $72,000

Annual Not to Exceed Total: $177,150
Contract Total: $531,450

Full description of expenses and compensation for services is attached as Exhibit 'B'.

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

ARTICLE 4. CONTRACT TIME

CONTRACTOR/CONSULTANT agrees to complete all work within ONE THOUSAND ONE HUNDRED AND FIFTY THREE (1,153) CALENDAR days of the date this Agreement is executed by CITY and in accordance with the following Project Schedule:

CONSULTANT to provide CITY a Project Schedule after the kick-off meeting.

This Agreement is the Notice to Proceed directing CONTRACTOR/CONSULTANT to commence work on the date of the last signatory.

ARTICLE 5. GENERAL

This Authorization Agreement is entered into pursuant to Ongoing Contract No. A-8883 and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

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

SIGNATURE AREA

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

APPROVE AS TO FORM:

SIGNATURE AREA

Alexandra Severino
City Attorney

ATTEST:

SIGNATURE AREA

Rochelle Scott
City Clerk

NBS GOVERNMENT FINANCE GROUP

SIGNATURE AREA

Sara Mares
Chief Operating Officer

ADDRESS FOR NOTICE:
NBS GOVERNMENT FINANCE GROUP
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

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

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

EXHIBIT A

CONSULTANT SCOPE OF SERVICES

Assessment Districts and Sewer Service Charge Administration

KICK-OFF MEETING, PROJECT SCHEDULE

NBS will meet with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals, components and criteria that will meet the City's preference.
- Identify and resolve any special circumstances that may be involved in the administration of the Assessment Districts/Sewer Service Charge.
- Develop project schedules to meet legal requirements and provide for effective interfacing of all involved parties.
- Establish meeting points consistent with schedule to achieve project milestones.
- Establish and coordinate with City staff a schedule to assure completion of necessary actions and compliance with statutes.

DATABASE DEVELOPMENT

NBS will update the database with the current County Assessor's information including property owner names and addresses, and any other available data that will augment the existing database.

BUDGET PREPARATION

NBS will meet with City staff to review the district budget/s for the coming fiscal year. The budget/s will be based on historical costs and actual and/or projected changes in costs and/or improvements to be maintained. Cost categories may include, but are not limited to, capital improvements and maintenance costs, incidental costs (engineering, legal, City administration) and reserve funds.

ASSESSMENT COMPUTATION AND RATE ANALYSIS

NBS will compute the assessments/charge for each parcel according to the Method of Assessment for the Assessment Districts/Sewer Service Charge. NBS will provide an assessment summary which will include the maximum assessments and current year assessments, separated by zone and method of assessment categories, as applicable.

ENGINEER'S REPORT PREPARATION

NBS will prepare the annual Engineer's Reports and provide to City staff. The annual Engineer's Reports will be signed and stamped by a Registered Professional Engineer (PE). The Reports will consist of:

- Assessment Districts/Sewer Service Charge background information.
- Detailed and technically supported Methods of Assessment.
- Description of the improvements and services that are being funded by the Assessment Districts/Sewer Service Charge.

- Cost estimates for the improvements and services being funded.
- Copy or reference to the original Assessment District Diagrams.
- Tables showing assessment levies by zone and method of assessment categories.
- Assessment Rolls/Sewer Service Charge Roll listing assessments by parcel or reference a complete roll on file with the City.

REPORT REVIEW AND APPROVAL

NBS will meet via conference call with City staff to review the Engineer's Reports for modifications and approval.

NOTICING AND RESOLUTION COORDINATION

NBS will coordinate activities to ensure that required tasks are completed within the scheduled time frame. NBS will assist the City (or the City's legal counsel) with preparation of any notice of public hearing or other meetings requiring publication. NBS will assist the City (or the City's legal counsel) with preparation of the staff report, all legal notices and the associated resolutions described below:

- Resolution describing improvements, initiating proceedings, and ordering the engineer to prepare and file a report for the City.
- Resolution preliminarily approving the Engineer's Report.
- Resolution of Intention declaring the intention of the City Council to levy and collect assessments/charge and setting a date for the public hearing.
- Resolution authorizing the placement of assessments/charge on the secured property tax bills.

PUBLIC HEARING ATTENDANCE

NBS will attend the public hearing as requested by the City.

LEVY SUBMITTAL

NBS will submit the levy to the County Auditor-Controller in the required format. Assessments/charges rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not accepted by the County for collection will be invoiced with payment to be directed to the City.

MAINTAIN DISTRICT DATA

NBS will annually track all parcel changes to ensure that all changes are documented. Historical parcel change data will be maintained by NBS.

ANNUAL LEVY REPORT

NBS will provide an annual Levy Summary Report for the Assessment Districts/Sewer Service Charge. The report will include a parcel listing with key rate identifiers and final levy amounts. Parcel and levy data can be provided via an emailed electronic file and printed, if desired.

CONSULTING SUPPORT

NBS shall provide a toll-free phone number for use by the City, other interested parties and all property owners. NBS will be available to answer questions regarding the Assessment Districts/Sewer Service Charge and the ongoing collection of assessments/charges. Bilingual staff is available to assist Spanish-speaking property owners.

ASSESSMENT DIAGRAMS

NBS will obtain the existing assessment diagrams and will make reference to any annexations or parcel changes, as necessary, for an additional fee.

ENGINEER SIGNATURE AND STAMP OF ANNUAL ENGINEER'S REPORT

NBS will have our Registered Professional Engineer (PE) review the Engineer's Report for signature and stamp as requested by the City.

Cost Estimation Tool and Budget Tool Annual Updates

ANNUAL MEETING

NBS will meet with City staff, legal counsel, and other interested parties to:

- Establish lines of communication
- Clarify the specific project goals and criteria that will meet the City's preference
- Identify the specific improvements and services to be incorporated into the Cost Estimation Tool and district and financial data to be incorporated into the Budget Tool
- Review Cost Estimation Tool customization options
- Review Budget Tool options and inputs

DATA COLLECTION

NBS will annually review data relevant to estimating the cost of maintenance, operations, capital replacement and reserves for the identified improvements. Data will be obtained from various sources, including industry averages, City records, staff interviews, City contracts, contractor estimates and average costs from comparable agencies. NBS will annually review City financial data relevant to the budgeting of special financing districts.

COST ESTIMATION TOOL

NBS will annually update the aforementioned data relevant to estimating costs into the Excel based Cost Estimation Tool. The update will compile the annual maintenance costs, lifecycle of each improvement, replacement costs, cost escalation capabilities tied to appropriate indexes that will be used to arrive at the project cost estimate based on the inputs of improvement plans.

CUSTOMIZED COST ESTIMATE FORM

NBS will annually review and update the customized Cost Estimate Form. The Cost Estimate Form will generally provide a summary of the improvements and costs in a format and with the specific details as identified by the City.

BUDGET TOOL

NBS will annually update the aforementioned data relevant to estimating and forecasting budgets into the Excel based Budget Tool. The update will compile the relevant financial data, fund balances, and inflators for the districts including any new districts or annexations.

GIS Mapping Annual Updates

ANNUAL MEETING

NBS will meet with City staff, legal counsel, and other interested parties to:

- Establish lines of communication
- Clarify the specific project goals and criteria that will meet the City's preference
- Review available GIS data available from the City
- Identify potential uses of the GIS Mapping data to refine mapping features

DISTRICTS GEODATABASE

Maintain, and provide to the City on an annual basis, a districts geodatabase including the following feature classes:

- Boundaries feature class that correctly reflects all City Maintenance Districts and Community Facilities Districts (the "Districts")
- Parcels feature class including select assessment/tax and secured roll information

Alternatively, the data files may be provided in GIS shapefile format upon request.

WEBMAP

Host a Webmap that includes the Districts and the parcels feature class data. The parcels feature class data is to be updated annually to reflect changes in the secured roll data and annual levy calculation data/amounts and will be updated quarterly to reflect any new annexation which have been completed. The District's boundary line will be updated to reflect the current parcel lines and may not always match the original District's boundary line. The Webmap can be linked to or integrated within the City's website.

Community Facilities District Annexation Services (Non-Bonded, Landowner Vote, In Future Annexation Area)

KICK-OFF MEETING, PROJECT SCHEDULE

NBS will meet with City staff, legal counsel, and other interested parties to:

- Establish lines of communication
- Clarify the specific project goals and criteria that will meet the City's preference
- Identify and resolve any special circumstances regarding the annexation of property to the CFD
- Develop project schedules to meet legal requirements and provide for effective interaction of all involved parties

- Establish meeting dates consistent with schedule to achieve project milestones

LOCAL GOALS & POLICIES

NBS will review existing local goals and policies or assist the City in developing local goals and policies for the use of CFDs, as required by the Mello-Roos Community Facilities Act of 1982 (the "Act").

DATA COLLECTION

NBS will gather and review data relevant to the annexation of property to the CFD. Data will be obtained from various sources, including City records, Assessor's parcel maps, and County Assessor information.

COST ESTIMATE

NBS will obtain the estimate of project costs and incidental expenses and prepare a total project Cost Estimate.

RATE AND METHOD OF APPORTIONMENT

NBS will review the CFD Rate and Method of Apportionment as it relates to the property to be annexed to the CFD.

UNANIMOUS APPROVAL FORM

NBS will prepare and mail the unanimous approval form to all landowner electors within the territory of the proposed annexation to the CFD. Final form of the unanimous approval will be approved by City staff and legal counsel.

ADDITIONAL CFD DOCUMENTS

NBS will prepare the Notice of Special Tax Lien in compliance with the Act. Final form of the Notice of Special Tax Lien will be approved by City staff and legal counsel.

1972 Act Assessment District Formation – Maintenance District

PROJECT SCHEDULE

NBS will communicate with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals, components and criteria that will meet the City's preference.
- Identify and resolve any special circumstances that may be involved in the formation.
- Develop project schedules to meet legal requirements and provide for effective interfacing of all involved parties.
- Establish meeting points consistent with the schedule to achieve project milestones.
- Establish and coordinate with City staff a schedule to assure completion of necessary actions and compliance with statutes.

BUDGET DEVELOPMENT

NBS will review a budget for the projected costs of improvements, maintenance, and services. Cost categories may include, but not be limited to, all relevant expenses, capital improvements, incidental

costs (engineering, legal, City staff, consultants and ongoing administration), operating reserves, capital improvement reserves, and equipment/material replacement reserves.

PARCEL DATABASE

NBS will establish a parcel database for assessor parcels as currently shown on the County assessor's parcel maps or development maps. The database will include land divisions, ownership and mailing information, and parcel information relevant to the spread of the assessments.

SPECIAL VS. GENERAL BENEFIT ANALYSIS

NBS will review the proposed improvements, maintenance, services, budgets, location and type of improvements, special benefit, general benefit, and recent case law with legal counsel. Meet with City staff and legal counsel to discuss appropriate and/or alternative approaches to the proposed assessment district. Provide staff with related support for the duration of the project.

CITY REVIEW

NBS will communicate with City staff for the review of costs, improvements, maintenance, services, statute requirements and benefits conferred.

SEPARATION AND QUANTIFICATION OF SPECIAL AND GENERAL BENEFIT

NBS will analyze improvements, maintenance, services, proposed boundaries, district characteristics, parcel characteristics, special and general benefits conferred, and assessment engineering industry standards and sources to separate and quantify special vs. general benefit in compliance with the special benefit requirements of Proposition 218 for review by all stakeholders.

METHOD OF ASSESSMENT (RATES)

NBS will prepare a Method of Assessment, including rates, in compliance with the proportionality requirements of Proposition 218 for review by all stakeholders.

RESOLUTIONS, NOTICES AND BALLOTS

NBS will work with legal counsel to prepare Resolutions, notices and ballots, as required, for compliance with the 1972 Act and Proposition 218. NBS will review legal notice of the public hearing to be published by the Clerk, as required, by the 1972 Act.

PRELIMINARY ENGINEER'S REPORT

NBS will prepare, submit and review with City staff a Preliminary Engineer's Report, including description of improvements, map of improvements, plans and specifications, cost estimate, assessment methodology, assessment roll and diagram.

FINAL ENGINEER'S REPORT

NBS will prepare, submit and review with City staff a Final Engineer's Report, including description of improvements, map of improvements, plans and specifications, cost estimate, assessment methodology, assessment roll and diagram.

PUBLIC HEARING AND BALLOT TABULATION

NBS will tabulate the ballots returned via the most appropriate method (bar code or other) and report the results to the legislative body at the completion of the public hearing.

DIAGRAM RECORDATION

NBS will record the diagram with the County Recorder.

LEVY CALCULATION

NBS will calculate the first year's levy and process for approval by City Council simultaneously with the assessment formation proceedings.

MEETING ATTENDANCE

NBS will attend the public hearing in-person to tabulate the ballots and address questions and/or concerns. NBS will attend additional in-person meetings as requested by the City subject to additional expenses for time and travel.

CONSULTING SUPPORT

NBS will provide a toll-free phone number for use by City staff and all stakeholders. NBS staff will be available to answer questions regarding the formation.

City's Responsibilities

The City shall furnish NBS with any pertinent information that is available to City and applicable to the Services. The City shall designate a person to act with authority on its behalf in respect to the Services. The City shall promptly respond to NBS' requests for reviews and approvals of its work, and to its requests for decisions related to the Services. City understands and agrees that NBS is entitled to rely on all information, data and documents (collectively, "Information") supplied to NBS by City or any of its agents, contractors or proxies or obtained by NBS from other usual and customary sources including other government sources or proxies as being accurate and correct and NBS will have no obligation to confirm that such Information is correct and that NBS will have no liability to City or any third party if such Information is not correct.

EXHIBIT B

COMPENSATION FOR SERVICES

Assessment Districts and Sewer Service Charge Administration – Annual Fees

Park Maintenance and Recreation Improvement Districts $24,500
Landscape Maintenance Assessment Districts $20,825
Streetlight Maintenance Assessment Districts $20,825
Drainage Benefit Assessment Districts $6,500
Sewer Collection Service Charge $17,500

Cost Estimation Tool and Budget Tool Annual Updates – Annual Fees

Consulting Services $7,500

GIS Mapping Annual Updates – Annual Fees

Consulting Services $7,500

Community Facilities District Annexation Services

Consulting Fee [1] $3,500

[1] *Assumes landowner unanimous approval with waivers*

1972 Act Assessment District Formation – Maintenance District

Consulting Fee $8,000
Estimated Expenses [1] $500
Total Not to Exceed $8,500

[1] *See description of expenses below*

ANNUAL FEE INCREASES

Cost of living increases are added to the services listed above on October 1 each year, beginning with the invoices issued on October 1, 2026. The COLA would be the actual cost of living increase based on the 12-month change from April/May to April/May in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all urban consumers for the applicable region for the City of Palmdale's location.

EXPENSES

Customary out-of-pocket expenses will be billed to the City at actual cost to NBS. These expenses may include, but not be limited to, mailing fulfillment, postage, reproduction, telephone, travel, meals and various third-party charges for data, maps, and recording fees.

ADDITIONAL SERVICES

The following table shows our current hourly rates. Additional services authorized by the City but not included in the scope of services will be billed at this rate or the then applicable hourly rate.

Title	Hourly Rate
Senior Review	$275
Director	$250
Associate Director / Engineer	$225
Senior Consultant	$200
Consultant	$175
Senior Project Analyst	$165
Project Analyst	$150
Project Resource Analyst	$130
Clerical / Support	$110

TERMS

Administration Services will be invoiced at the beginning of each quarter. Cost Estimation, GIS Mapping, Annexation and Formation Services will be billed monthly. Expenses will be itemized and included in the next regular invoice. Fees for additional services will be invoiced upon completion of the task. If the project is prematurely terminated by either party, NBS shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days simple interest will begin to accrue at the rate of 1.5% per month. Either party may cancel this contract with 30 days' written notice.

AGREEMENT NO. A-8883
CONTRACT FOR SERVICES
BETWEEN THE CITY OF PALMDALE AND NBS GOVERNMENT FINANCE GROUP

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 NBS GOVERNMENT FINANCE GROUP, 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 CITY 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:

The following services, including but not limited to:
-Assessment District and Community Facilites District Administration
-Review of Policy
-Data Collection
-Fund Analysis
-Public Hearings
-Cost Recovery
-Scheduling
-Fiscal Goals
-Annual Reporting(s)
-Administrative Services
-Bond Formation Services
-Elections and Vote Tabulation
-CFD Bond Issuance
-Non-Bonded CFD Formation Services

This agreement will serve as the master agreement for multiple Project Authorization Agreement (PAAs). The scope of work and related fees will be detailed individually within each Project Authorization Agreement.

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 365 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:

TBD, DEPENDENT ON THE PROJECT.

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 FIVE (5) YEARS, commencing on the effective date.

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 ZERO dollars ($0) 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:

Each PAA will have a specific fee schedule attached that applies to the specific scope of work for the individual PAA.

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

10.1.4 Professional Liability (Errors & Omissions) Insurance*

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

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.

10.8.3 *When professional (E&O) 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.

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:

Ronda Perez
Signed: 7/1/2024

RONDA PEREZ
CITY MANAGER

JS
Signed: 6/5/2024

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

NBS GOVERNMENT FINANCE GROUP:

Michael Rentner
Signed: 6/5/2024

MIKE RENTNER
PRESIDENT AND CEO

ADDRESS FOR NOTICE:
NBS GOVERNMENT FINANCE GROUP
32605 TEMECULA PARKWAY, 100
TEMECULA, CA 92592

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 6/28/2024

William P. Curley, III
City Attorney

ATTEST:

Roxanne Faber
Signed: 7/1/2024

Roxanne Faber
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 2024-06-05 14:42:38 GMT

Secured by Concord™
DocumentID: 02wl4JiUQPtCfixnESfsYS
SigningID: 02wl4JiUKNAvpD8WcTbVRd
Signing date: 6/5/2024
IP Address: 206.171.111.149
Email: jsamson@cityofpalmdale.org

For
Name
Title



Signed on 2024-06-05 22:55:19 GMT

Secured by Concord™
DocumentID: 02wl4JiUQPtCfixnESfsYS
SigningID: 02wlGPN2EB6B2QL6LqNLdo
Signing date: 6/5/2024
IP Address: 184.167.188.44
Email: mrentner@nbsgov.com

For
Name
Title



Signed on 2024-06-28 16:14:32 GMT

Secured by Concord™
DocumentID: 02wl4JiUQPtCfixnESfsYS
SigningID: 02wyDN1QeeUiNaNCGgJ3U9
Signing date: 6/28/2024
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

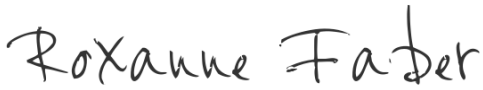
For
Name
Title



Signed on 2024-07-01 17:05:18 GMT

Secured by Concord™
DocumentID: 02wl4JiUQPtCfixnESfsYS
SigningID: 02wzwdJ1TDsGa4HuBgQTvP
Signing date: 7/1/2024
IP Address: 206.171.111.149
Email: rperez@cityofpalmdale.org

For
Name
Title



Signed on 2024-07-01 17:34:38 GMT

Secured by Concord™
DocumentID: 02wl4JiUQPtCfixnESfsYS
SigningID: 02wzxLxq8Dd4fbYpGGWUT8
Signing date: 7/1/2024
IP Address: 76.50.72.47
Email: rfaber@cityofpalmdale.org

concord
Where agreements happen.

Signed with www.concordnow.com

NBSGOVE-01 DINTA1

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 9/22/2023

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 License # 0L48969 C3 Risk & Insurance Services 404 Camino Del Rio S. STE 410 San Diego, CA 92108	CONTACT NAME: Lynne Robinson PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: lynne@c3insurance.com
INSURED NBS Government Finance Group 32605 Temecula Parkway, Suite 100 Temecula, CA 92592	INSURER(S) AFFORDING COVERAGE / NAIC # INSURER A : THE HANOVER INSURANCE COMPANY 22292 INSURER B : Massachusetts Bay Insurance Co 22306 INSURER C : Gemini Insurance Company 10833 INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **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	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	X	X	OH3A43196310	9/24/2023	9/24/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 300,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS HIRED AUTOS ONLY NON-OWNED AUTOS ONLY	X	X	AH3A42745812	9/24/2023	9/24/2024	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 0			OH3A43196310	9/24/2023	9/24/2024	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	X	WD3A42745710	9/24/2023	9/24/2024	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	E&O Professional Lia			VNPL014153	9/24/2023	9/24/2024	Ea Claim/ Aggregate	2,000,000
C	E&O Professional Li			VNPL014153	9/24/2023	9/24/2024	Deductible	20,000

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

Additional insureds are included as/where required by written contract as respects to General Liability, Auto Liability; General Liability Primary Non-Contributory wording; Auto Liability Primary Non-Contributory wording, General Liability waiver of subrogation, Auto Liability waiver of subrogation, Workers Compensation waiver of subrogation, but limited to the operations of the Insured under said contract, and always subject to all the policy terms, conditions and exclusions per endorsements attached.Cancellation provisions attached. *THIS CERTIFICATE CANCELS AND SUPERSEDES ANY CERTIFICATE PREVIOUSLY ISSUED.*

Blanket forms apply when required by written contract:
SEE ATTACHED ACORD 101

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: NBSGOVE-01 DINTA1

LOC #: 1

ADDITIONAL REMARKS SCHEDULE

AGENCY	License # 0L48969	NAMED INSURED
C3 Risk & Insurance Services		NBS Government Finance Group 32605 Temecula Parkway, Suite 100 Temecula, CA 92592
POLICY NUMBER		
SEE PAGE 1		
CARRIER	NAIC CODE	EFFECTIVE DATE: SEE PAGE 1
SEE PAGE 1	SEE P 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:
GENERAL LIABILITY:
Additional Insured-Special Broadening Endt: 391-1006 08 16
Additional Insured-Completed Operations: 391-1602 08 16
Primary & Non-Contributory: 391-1003 08 16
Waiver of Subrogation: 391-1003 08 16
Cancellation Provision:391-1003 08 16
Umbrella Cancellation Provision: CU 02 23 09 12

AUTO:
Additional Insured: 461-0478 12 12
Primary & Non-Contributory: 461-0478 12 12
Waiver of Subrogation: 461-0500 11 13
Auto Cancllation Provision:IL 00 17 11 98

WORKERS' COMPENSATION:
Waiver of Subrogation: WC 00 03 13 04 84
Cancellation Provision California WC 040601B
Cancellation Provision Arizona WC 02 06 01 C

Deductibles:
General Liability- $0
Auto Liability- Comp Ded: $1,000 / Coll Ded: $1,000
Umbrella: $0
Professional Liability- $20,000 deductible (Per Claim).

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 included as additional insureds, as required by written contract with the named insured, per the attached endorsements regarding General Liability and Auto Liability. Primary and Non-Contributory Wording applies per the attached endorsements regarding General Liability and Auto Liability. Waiver of Subrogation applies per the attached endorsements, regarding General Liability, Auto Liability, and Workers' Compensation. 30 Days Notice of Cancellation applies regarding General Liability, Auto Liability, and Workers compensation, endorsements to follow from the carrier. Severability of Interest clause applies per coverage form.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS LIABILITY SPECIAL BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SUMMARY OF COVERAGES	Limits	Page
1. Additional Insured by Contract, Agreement or Permit	Included	1
2. Additional Insured - Broad Form Vendors	Included	2
3. Alienated Premises	Included	3
4. Broad Form Property Damage - Borrowed Equipment, Customers Goods and Use of Elevators	Included	3
5. Incidental Malpractice (Employed Nurses, EMT's and Paramedics)	Included	3
6. Personal and Advertising Injury - Broad Form	Included	4
7. Product Recall Expense	Included	4
Product Recall Expense Each Occurrence Limit	$25,000 Occurrence	5
Product Recall Expense Aggregate Limit	$50,000 Aggregate	5
Product Recall Deductible	$500	5
8. Unintentional Failure to Disclose Hazards	Included	6
9. Unintentional Failure to Notify	Included	6

This endorsement amends coverages provided under the Businessowners Coverage Form through new coverages and broader coverage grants. This coverage is subject to the provisions applicable to the Businessowners Coverage Form, except as provided below.

The following changes are made to **SECTION II - LIABILITY:**

1. Additional Insured by Contract, Agreement or Permit

The following is added to **SECTION II - LIABILITY, C. Who Is An Insured:**

Additional Insured by Contract, Agreement or Permit

a. Any person or organization with whom you agreed in a written contract, written agreement or permit to add such person or organization as an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

(1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;

(2) Premises you own, rent, lease or occupy; or

(3) Your maintenance, operation or use of equipment leased to you.

b. The insurance afforded to such additional insured described above:

(1) Only applies to the extent permitted by law; and

(2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

(3) Applies on a primary basis if that is required by the written contract, written agreement or permit.

(4) Will not be broader than coverage provided to any other insured.

(5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.

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c. This provision does not apply:

(1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".

(2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.

(3) To any lessor of equipment:

(a) After the equipment lease expires; or

(b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor.

(4) To any:

(a) Owners or other interests from whom land has been leased if the "occurrence" takes place or the offense is committed after the lease for the land expires; or

(b) Managers or lessors of premises if:

(i) The "occurrence" takes place or the offense is committed after you cease to be a tenant in that premises; or

(ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

(5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and advertising injury" involved the rendering of or failure to render any professional services by or for you.

d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION II - LIABILITY, D. Liability and Medical Expense Limits of Insurance**:

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

1. Required by the contract, agreement or permit described in Paragraph **a.;** or

2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations

e. All other insuring agreements, exclusions, and conditions of the policy apply.

2. Additional Insured - Broad Form Vendors

The following is added to **SECTION II - LIABILITY, C. Who Is An Insured:**

Additional Insured - Broad Form Vendors

a. Any person or organization that is a vendor with whom you agreed in a written contract or written agreement to include as an additional insured under this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

b. The insurance afforded to such vendor described above:

(1) Only applies to the extent permitted by law;

(2) Will not be broader than the insurance which you are required by the contract or agreement to provide for such vendor;

(3) Will not be broader than coverage provided to any other insured; and

(4) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto

c. With respect to insurance afforded to such vendors, the following additional exclusions apply:

The insurance afforded to the vendor does not apply to:

(1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reasons of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;

(2) Any express warranty unauthorized by you;

 Includes copyrighted materials of Insurance Services Offices, Inc., with its permission.

(3) Any physical or chemical change in the product made intentionally by the vendor;

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

(5) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;

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

(7) Products which, 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 for the vendor;

(8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(a) The exceptions contained within the exclusion in subparagraphs **(4)** or **(6)** above; or

(b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(9) "Bodily injury" or "property damage" arising out of an "occurrence" that took place before you have signed the contract or agreement with the vendor.

(10) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.

(11) Any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

d. With respect to the insurance afforded to these vendors, the following is added to **SECTION II - LIABILITY, D. Liability and Medical Expense Limits of Insurance**:

The most we will pay on behalf of the vendor for a covered claim is the lesser of the amount of insurance:

1. Required by the contract or agreement described in Paragraph **a.;** or

2. Available under the applicable Limits of Insurance shown in the Declarations;

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

3. Alienated Premises

SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage k. Damage to Property, paragraph **(2)** is replaced by the following:

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

4. Broad Form Property Damage - Borrowed Equipment, Customers Goods, Use of Elevators

a. The following is added to **SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage, k. Damage to Property**:

Paragraph **(4)** does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraph **(3), (4)** and **(6)** do not apply to "property damage" to "customers goods" while on your premises nor to the use of elevators.

b. For the purposes of this endorsement, the following definition is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions:**

1. "Customers goods" means property of your customer on your premises for the purpose of being:

a. Worked on; or

b. Used in your manufacturing process.

c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent or on any other basis.

5. Incidental Malpractice - Employed Nurses, EMT's and Paramedics

SECTION II - LIABILITY, C. Who Is An Insured, paragraph **2.a.(1)(d)** does not apply to a nurse,

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emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

6. Personal Injury - Broad Form

a. SECTION II - LIABILITY, B. Exclusions, 2. Additional Exclusions Applicable only to "Personal and Advertising Injury", paragraph **e.** is deleted.

b. SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions, 14. "Personal and advertising injury", paragraph **b.** is replaced by the following:

b. Malicious prosecution or abuse of process.

c. The following is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions,** Definition **14.** "Personal and advertising injury":

"Discrimination" (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such "discrimination" is:

(1) Not done intentionally by or at the direction of:

(a) The insured;

(b) Any officer of the corporation, director, stockholder, partner or member of the insured; and

(2) Not directly or indirectly related to an "employee", not to the employment, prospective employment or termination of any person or persons by an insured.

d. For purposes of this endorsement, the following definition is added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions:**

1. "Discrimination" means the unlawful treatment of individuals based upon race, color, ethnic origin, gender, religion, age, or sexual preference. "Discrimination" does not include the unlawful treatment of individuals based upon developmental, physical, cognitive, mental, sensory or emotional impairment or any combination of these.

e. This coverage does not apply if liability coverage for "personal and advertising injury" is excluded either by the provisions of the Coverage Form or any endorsement thereto.

7. Product Recall Expense

a. SECTION II - LIABILITY, B. Exclusions, 1. Applicable To Business Liability Coverage, o. Recall of Products, Work or Impaired Property is replaced by the following:

o. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

If such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it, but this exclusion does not apply to "product recall expenses" that you incur for the "covered recall" of "your product".

However, the exception to the exclusion does not apply to "product recall expenses" resulting from:

(4) Failure of any products to accomplish their intended purpose;

(5) Breach of warranties of fitness, quality, durability or performance;

(6) Loss of customer approval, or any cost incurred to regain customer approval;

(7) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;

(8) Caprice or whim of the insured;

(9) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance;

(10) Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials; or

(11) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.

b. The following is added to **SECTION II - LIABILITY, C. Who Is An Insured,** paragraph **3.b.**:

"Product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.

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c. The following is added to **SECTION II - LIABILITY, D. Liability and Medical Expenses Limits of Insurance**:

Product Recall Expense Limits of Insurance

a. The Limits of Insurance shown in the SUMMARY OF COVERAGES of this endorsement and the rules stated below fix the most that we will pay under this Product Recall Expense Coverage regardless of the number of:

(1) Insureds;

(2) "Covered Recalls" initiated; or

(3) Number of "your products" withdrawn**.**

b. The Product Recall Expense Aggregate Limit is the most that we will reimburse you for the sum of all "product recall expenses" incurred for all "covered recalls" initiated during the policy period.

c. The Product Recall Each Occurrence Limit is the most we will pay in connection with any one defect or deficiency.

d. All "product recall expenses" in connection with substantially the same general harmful condition will be deemed to arise out of the same defect or deficiency and considered one "occurrence".

e. Any amount reimbursed for "product recall expenses" in connection with any one "occurrence" will reduce the amount of the Product Recall Expense Aggregate Limit available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

f. If the Product Recall Expense Aggregate Limit has been reduced by reimbursement of "product recall expenses" to an amount that is less than the Product Recall Expense Each Occurrence Limit, the remaining Aggregate Limit is the most that will be available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

g. Product Recall Deductible

We will only pay for the amount of "product recall expenses" which are in excess of the $500 Product Recall Deductible. The Product Recall Deductible applies separately to each "covered recall". The limits of insurance will not be reduced by the amount of this deductible.

We may, or will if required by law, pay all or any part of any deductible amount, if applicable. Upon notice of our payment of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

The Product Recall Expense Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

d. The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expense General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit**:

You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

(1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;

(2) Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance.

e. For the purpoess of this endorsement, the following definitions are added to **SECTION II - LIABILITY, F. Liability and Medical Expenses Definitions:**

1. "Covered recall" means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

2. "Product recall expense(s)" means:

a. Necessary and reasonable expenses for:

(1) Communications, including radio or television announcements or printed advertisements including stationary, envelopes and postage;

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(2) Shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;

(3) Remuneration paid to your regular "employees" for necessary overtime;

(4) Hiring additional persons, other than your regular "employees";

(5) Expenses incurred by "employees" including transportation and accommodations;

(6) Expenses to rent additional warehouse or storage space;

(7) Disposal of "your product", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal,

you incur exclusively for the purpose of recalling "your product"; and

b. Your lost profit resulting from such "covered recall".

f. This Product Recall Expense Coverage does not apply:

(1) If the "products - completed operations hazard" is excluded from coverage under this Coverage Part including any endorsement thereto; or

(2) To "product recall expense" arising out of any of "your products" that are otherwise excluded from coverage under this Coverage Part including endorsements thereto.

8. Unintentional Failure to Disclose Hazards

The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expenses General Conditions:**

Representations

We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

9. Unintentional Failure to Notify

The following is added to **SECTION II - LIABILITY, E. Liability and Medical Expenses General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit:**

Your rights afforded under this Coverage Part shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury", "property damage" or "personal and advertising injury" is not covered under this Policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name Of Person Or Organization	Location And Description Of Completed Operations
ANY PERSON OR ORGANIZATION AS REQUIRED	BY CONTRACT

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

For the purpose of coverage provided by this endorsement, the following changes are made to **SECTION II - LIABILITY:**

A. The following is added to **SECTION II - LIABILITY, C. Who Is An Insured:**

Any person or organization shown in the Schedule above is also an additional insured, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule above, performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. The following is added to **SECTION II - LIABILITY, D. Liability And Medical Expenses Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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1. **SECTION I - PROPERTY**, if two or more of this coverage part's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.
2. **SECTION II - LIABILITY**, it is our stated intent that the various Coverage Parts, forms, endorsements or policies issued to the named insured by us, or any company affiliated with us, do not provide any duplication or overlap of coverage for the same claim, "suit", "occurrence", offense, accident, "wrongful act" or loss. We will not pay more than the actual amount of the loss or damage.

   If this Coverage Part and any other Coverage Part, form, endorsement or policy issued to the named insured by us, or any company affiliated with us, apply to the same claim, "suit", occurrence, offense, accident, "wrongful act" or loss, the maximum Limit of Insurance under all such Coverage Parts, forms, endorsements or policies combined shall not exceed the highest applicable Limit of Insurance under any one Coverage Part, form, endorsement or policy.

   This condition does not apply to any Excess or Umbrella Policy issued by us specifically to apply as excess insurance over this policy.

G. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

H. Other Insurance

1. **SECTION I - PROPERTY**

   If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But, we will not pay more than the applicable Limit of Insurance of **SECTION I - PROPERTY.**

2. **SECTION II - LIABILITY**

   If other valid and collectible insurance is available to the insured for a loss we cover under **SECTION II - LIABILITY**, our obligations are limited as follows:

   a. Primary Insurance

   This insurance is primary except when paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in paragraph **c.** below.

   However, if you agree in a written contract, written agreement, or written permit that the insurance provided to any person or organization included as an Additional Insured under this Coverage Part is primary and non-contributory, we will not seek contribution from any other insurance available to that Additional Insured which covers the Additional Insured as a Named Insured except:

   (1) For the sole negligence of the Additional Insured; or

   (2) When the Additional Insured is an Additional Insured under another liability policy.

   b. Excess Insurance

   This insurance is excess over:

   (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

   (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

   (b) That is Property Insurance for premises rented to you or temporarily occupied by you with permission of the owner;

   (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

   (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION II - LIABILITY, Exclusion g. Aircraft, Auto or Watercraft**; and

   (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

   When this insurance is excess, we will have no duty under **SECTION II - LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the

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insured's rights against all those other insurers.

c. When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

d. We will share the remaining loss, if any, with any other insurance that is not described in this provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations for this Coverage.

e. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable limits of insurance of all insurers.

f. When this insurance is excess, we will have no duty under Business Liability Coverage to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so; but we will be entitled to the insured's rights against all those other insurers.

I. Premiums

1. The first Named Insured shown in the Declarations:

a. Is responsible for the payment of all premiums; and

b. Will be the payee for any return premiums we pay.

2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

3. With our consent, you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:

a. Paid to us prior to the anniversary date; and

b. Determined in accordance with paragraph **2.** above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.

4. Undeclared exposures or change in your business operation, acquisition or use of locations may occur during the policy period that is not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

J. Premium Audit

1. This policy is subject to audit if a premium designated as an advance premium is shown in the Declarations. We will compute the final premium due when we determine your actual exposures.

2. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

3. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request.

K. Transfer of Rights of Recovery Against Others to Us

1. Applicable to **SECTION I - PROPERTY** Coverage:

If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

a. Prior to a loss to your Covered Property.

b. After a loss to your Covered Property only if, at time of loss, that party is one of the following:

(1) Someone insured by this insurance;

(2) A business firm:

(a) Owned or controlled by you; or

(b) That owns or controls you; or

(3) Your tenant.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

2. Applicable to **SECTION II - LIABILITY** Coverage:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair such rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

We waive any right of recovery we may have against any person or organization with whom you have a written contract, permit or agreement to waive any rights of recovery against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

This condition does not apply to Medical Expenses Coverage.

L. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while that legal representative is acting within the scope of their duties as your legal representative. Until your legal representative is appointed, anyone with proper temporary custody of your property will have your rights and duties but only with respect to that property.

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18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Unmanned aircraft" means an aircraft that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

21. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

22. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

23. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

SECTION III - COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I - PROPERTY AND SECTION II - LIABILITY)

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

a. 5 days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy:

(1) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

(a) Seasonal unoccupancy; or

(b) Buildings in the course of construction, renovation or addition.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

(2) After damage by a covered cause of loss, permanent repairs to the building:

(a) Have not started, and

(b) Have not been contracted for,

within 30 days of initial payment of loss.

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(3) The building has:

(a) An outstanding order to vacate;

(b) An outstanding demolition order; or

(c) Been declared unsafe by governmental authority.

(4) Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

(5) Failure to:

(a) Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or

(b) Pay property taxes that are owed and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

b. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

c. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Concealment, Misrepresentation or Fraud

This policy is void in any case of fraud by you as it relates to this policy at any time. It is also void if you or any other insured, at any time, intentionally conceals or misrepresents a material fact concerning:

1. This policy;

2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this policy.

D. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward. We have the right to make copies of these books and records.

E. Inspections and Surveys

1. We have the right but not the duty to:

a. Make inspections and surveys at any time;

b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions:

a. Are safe and healthful; or

b. Comply with laws, regulations, codes or standards.

3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

F. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, you may choose only one of these coverages to apply to that loss.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. Paragraphs **2.** and **3.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(6) A determination by the Commissioner of Insurance that the:

(a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or

(b) Continuation of the policy coverage would:

(i) Place us in violation of California law or the laws of the state where we are domiciled; or

(ii) Threaten our solvency.

(7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added,

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increased or changed risk is included in the policy.

(8) A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies.

(9) Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse.

(10) A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.

b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph **3.a.**

B. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. If we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **B.1.**

c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.

d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **B.1.,** to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 09/24/2023	Countersigned By: Lynne Robinson
Named Insured: NBS GOVERNMENT FINANCE	(Authorized Representative)

SCHEDULE

Name of Person(s) or Organization(s):
ANY PERSON OR ORGANIZATION WHEN REQUIRED BY A WRITTEN CONTRACT, WRITTEN AGREEMENT OR PERMIT.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:	NBS GOVERNMENT FINANCE GROUP
Endorsement Effective Date:	09/24/2023

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
ANY PERSON OR ORGANIZATION WHEN REQUIRED BY A WRITTEN CONTRACT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations

The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

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

Additional Insured if Required by Contract

If you agree in a written contract, written agreement or written permit that a person or organization be added as an additional "insured" under this Coverage Part, such person or organization is an "insured"; but only to the extent that such person or organization qualifies as an "insured" under paragraph **A.1.c.** of this Section.

If you agree in a written contract, written agreement or written permit that a person or organization be added as an additional "insured" under this Coverage Part, the most we will pay on behalf of such additional "insured" is the lesser of:

(1) The Limits of Insurance for liability coverage specified in the written contract, written agreement or written permit; or

(2) The Limits of Insurance for Liability Coverage shown in the Declarations applicable to this Coverage Part.

Such amount shall be part of and not in addition to the Limits of Insurance shown in the Declarations applicable to this Coverage Part. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

B. The following is added to **SECTION IV – BUSINESS AUTO CONDITIONS,** Paragraph **B. General Conditions,** subparagraph **5. Other Insurance:**

Primary and Non-Contributory

If you agree in a written contract, written agreement or written permit that the insurance provided to a person or organization who qualifies as an additional "insured" under **SECTION II – LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured,** subparagraph **Additional Insured if Required by Contract** is primary and non-contributory, the following applies:

The liability coverage provided by this Coverage Part is primary to any other insurance available to the additional "insured" as a Named Insured. We will not seek contribution from any other insurance available to the additional "insured" except:

(1) For the sole negligence of the additional "insured"; or

(2) For negligence arising out of the ownership, maintenance or use of any "auto" not owned by the additional "insured" or by you, unless that "auto" is a "trailer" connected to an "auto" owned by the additional "insured" or by you; or

(3) When the additional "insured" is also an additional "insured" under another liability policy.

C. This endorsement will apply only if the "accident" occurs:

1. During the policy period;

2. Subsequent to the execution of the written contract or written agreement or the issuance of the written permit; and

3. Prior to the expiration of the period of time that the written contract, written agreement or written permit requires such insurance to be provided to the additional "insured".

D. Coverage provided to an additional "insured" will not be broader than coverage provided to any other "insured" under this Coverage Part.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

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Policy Number: AH3A42745812

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO COVERAGE
BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

1. **CANCELLATION EXTENSION**

Paragraph **A. CANCELLATION 2. b**. of the **COMMON POLICY CONDITIONS** is replaced with the following:

b. 60 days before the effective date of cancellation if we cancel for any other reason.

SECTION I - COVERED AUTOS

2. **EMPLOYEE HIRED "AUTOS" Description Of Covered Auto Designation Symbols; Symbol 8** is replaced by the following:

8 = Hired "Autos" Only - Only those "autos" you lease, hire, rent or borrow; including "autos" your employee hires at your direction, for the purpose of conducting your business. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners or members of their households.

SECTION II - LIABILITY COVERAGE

3. **BROADENED NAMED INSURED**

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

d. Any business entity for which you have a financial interest greater than 50% of the voting stock or otherwise have a controlling interest after the effective date of this policy or that is newly acquired or formed by you during the term of this policy.

The coverage provided by this provision is afforded until expiration or termination of this policy, whichever occurs earlier.

The coverage provided by this provision does not apply to any business entity described in d. above that qualifies as an insured under any other automobile liability policy issued to that business entity as a named insured or would have been an insured except for the exhaustion of the policy limits or the insolvency of the insurer.

The coverage provided by this provision does not apply to "bodily injury" nor "property damage" arising from an accident that occurred prior to your acquiring or forming the business entity described in d. above.

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4. **EMPLOYEES AS INSUREDS**

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

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

5. **SUPPLEMENTARY PAYMENTS**

The following amends **SECTION II - LIABILITY COVERAGE**, Paragraph 2. **Coverage Extensions** provision:

Paragraph (2) is replaced by the following:

(2) Up to $2500 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.

Paragraph (4) is replaced by the following:

(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.

6. **AMENDED FELLOW EMPLOYEE EXCLUSION**

The following is added to the **SECTION II - LIABILITY COVERAGE, B. Exclusions** Paragraph 5. **Fellow Employee** exclusion:

This exclusion does not apply if the "bodily injury" arises from the use of a covered "auto" you own or hire. This coverage is excess over any other collectible insurance

SECTION III - PHYSICAL DAMAGE COVERAGE.

7. **EXPENSE OF RETURNING A STOLEN "AUTO"** and **SIGN COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE**, **A.1. COVERAGE:**

d. **Expense Of Returning A Stolen "Auto"**

We will pay for the expense of returning a covered "auto" to you.

e. **Sign Coverage**

We will pay for loss to signs, murals, paintings or graphics, as part of equipment, which are displayed on a covered "auto".

The most we will pay for "loss" in any one "accident" is the lesser of:

1. The actual cash value of the property as of the time of the "loss"; or
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
3. $2,000.

8. **GLASS BREAKAGE DEDUCTIBLE**

The following is added to SECTION III- PHYSICAL DAMAGE COVERAGE A. COVERAGE paragraph 3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles:

Any deductible shown in the Declarations as applicable to the

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covered "auto" will not apply to glass breakage if such glass is repaired, rather than replaced.

9. **TRANSPORTATION EXPENSE**

Paragraph 4. **Coverage Extension**. of **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE** is replaced with the following:

4. **Coverage Extension**

We will pay up to $50 per day to a maximum of $1500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 24 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

10. **HIRED AUTO PHYSICAL DAMAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE:**

5. **Hired Auto Physical Damage**

If hired "autos" are covered "autos" for Liability Coverage and if Physical Damage Coverage of Comprehensive, Specified Causes of Loss, or Collision is provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverage(s) provided is extended to "autos" you hire without a driver or your employee hires, without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, of like kind and use as the "autos" you own, subject to the following:

The most we will pay for any one loss is the lesser of the following:

a. $50,000 per accident, or
b. cash value, or
c. the cost of repair,

minus the deductible equal to the lowest deductible applicable to any owned "auto" for that coverage. Any deductible shown in the Declarations does not apply to "loss" caused by fire or lightning. Subject to the limit and deductible stated above, we will provide coverage equal to the broadest coverage provided to any covered "auto" you own, that is applicable to the loss.

If the loss arises from an accident for which you are legally liable and the lessor incurs an actual financial loss from that accident, we will cover the lessor's actual financial loss of use of the hired "auto" for a period of up to seven consecutive days from the date of the accident, subject to a limit of $1,000 per accident.

11. **AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE:**

6. **Audio, Visual and Data Electronic Equipment Coverage**

We will pay for "loss" to any electronic equipment that receives

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or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered “auto’ at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto’s" electrical system, in or upon the covered "auto", including its antennas and other accessories. However , this does not include tapes, records or discs.

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to coverage provided herein. In addition, the following exclusions apply:

We will not pay , under this coverage, for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto’s" operating system; or

2. Both:

   a. An integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto", and

   b. Permanently installed in the opening of the dash or console normally used by the manufacturer for the installation of a radio.

With respect to coverage herein, the **LIMIT OF INSURANCE** provision of **PHYSICAL DAMAGE COVERAGE** is replaced by the following:

1. The most we will pay for all "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of

   a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
   b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
   c. $500.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".

3. Deductibles applicable to **PHYSICAL DAMAGE COVERAGE**, do not apply to this Audio, Visual and Data Electronic Equipment Coverage.

If there is other coverage provided by this policy for audio, visual and data electronic equipment, the coverage provided herein is

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excess. However, you may elect to apply the limit or any portion thereof of coverage provided herein to pay any deductible that is applicable under the provisions of the other coverage.

12. **RENTAL REIMBURSEMENT** and **MATERIAL TRANSFER EXPENSE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE:**

7. **Rental Reimbursement and Material Transfer Expense**

This coverage provides only those Physical Damage Coverages where a premium is shown in the Declarations. It applies only to a covered "auto" described or designated to which the Physical Damage Coverages apply.

We will pay for auto rental expenses and the expenses, incurred by you because of "loss" to a covered "auto", to remove and transfer your materials and equipment from the covered "auto" . Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.

We will pay only for those auto rental expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

1. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and transport it to a repair shop.

2. 60 days.

Our payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred, including loss of use.

2. $3000.

This auto rental expense coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the **SECTION III - PHYSICAL DAMAGE COVERAGE, A.** 4. Coverage Extension.

13. **AIRBAG COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions**, paragraph **3**.

The portion of this exclusion relating to mechanical or electrical breakdown does not apply to the accidental discharge of an airbag. This coverage is excess of other collectible insurance or warranty. No deductible applies to this Airbag Coverage.

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14. **AUTO LOAN PHYSICAL DAMAGE EXTENSION**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest , any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

15. **AUTO LEASE PHYSICAL DAMAGE EXTENSION**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE**, **C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1**. or **2**. and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

SECTION IV - CONDITIONS

16. **DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS**

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS**, **A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss**:

d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:

   (1) You, if you are an individual;
   (2) Any partner or insurance manager if you are a partnership; or
   (3) An executive officer or insurance manager if you are a corporation.

17. **BLANKET WAIVER OF SUBROGATION**

Paragraph **5. Transfer Of Rights Of Recovery Against Others To Us, SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

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5. **Transfer Of Rights Of Recovery Against Others To Us**

   If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

18. **UNINTENTIONAL FAILURE TO DISCLOSE INFORMATION**

The following is added to **SECTION IV BUSINESS AUTO CONDITIONS. B. General Conditions**, paragraph **2**. **Concealment, Misrepresentation Or Fraud**:

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

19. **HIRED AUTO – WORLDWIDE COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions,** paragraph **7**. **Policy Period, Coverage Territory** provision:

e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

SECTION V - DEFINITIONS

20. **MENTAL ANGUISH**

Paragraph **C. "Bodily injury", SECTION V - DEFINITIONS** is replaced by the following:

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO COVERAGE
BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

1. **CANCELLATION EXTENSION**

Paragraph **A. CANCELLATION 2. b**. of the **COMMON POLICY CONDITIONS** is replaced with the following:

b. 60 days before the effective date of cancellation if we cancel for any other reason.

SECTION I - COVERED AUTOS

2. **EMPLOYEE HIRED "AUTOS" Description Of Covered Auto Designation Symbols; Symbol 8** is replaced by the following:

8 = Hired "Autos" Only - Only those "autos" you lease, hire, rent or borrow; including "autos" your employee hires at your direction, for the purpose of conducting your business. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners or members of their households.

SECTION II - LIABILITY COVERAGE

3. **BROADENED NAMED INSURED**

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

d. Any business entity for which you have a financial interest greater than 50% of the voting stock or otherwise have a controlling interest after the effective date of this policy or that is newly acquired or formed by you during the term of this policy.

The coverage provided by this provision is afforded until expiration or termination of this policy, whichever occurs earlier.

The coverage provided by this provision does not apply to any business entity described in d. above that qualifies as an insured under any other automobile liability policy issued to that business entity as a named insured or would have been an insured except for the exhaustion of the policy limits or the insolvency of the insurer.

The coverage provided by this provision does not apply to "bodily injury" nor "property damage" arising from an accident that occurred prior to your acquiring or forming the business entity described in d. above.

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

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. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2____% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	**Job Description**
APPLIES AS BLANKET WAIVER FOR THOSE HAVING A WRITTEN CONTRACT WITH THE POLICY-HOLDER REQUIRING WOS FOR WC POLICYHOLDER EMPLOYEES.	

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. WD3-A427457-10 Endorsement No.

Insured

Insurance Company MASSACHUSETTS BAY INSURANCE COMPANY

Countersigned By _____

WC 04 03 06 (Ed 04-84)

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY **WC 04 06 01 B**

(Ed. 01-22)

CALIFORNIA CANCELATION ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because California is shown in Item 3.A. of the Information Page.

The cancelation condition in Part Six (Conditions) of the policy is replaced by these conditions:

Cancelation:

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancelation is to take effect.
2. We may cancel this policy for one or more of the following reasons:
   a. Non-payment of premium;
   b. Failure to report payroll;
   c. Failure to permit us to audit payroll as required by the terms of this policy or of a previous policy issued by us;
   d. Failure to pay any additional premium resulting from an audit of payroll required by the terms of this policy or any previous policy issued by us;
   e. Material misrepresentation made by you or your agent;
   f. Failure to cooperate with us in the investigation of a claim;
   g. Material failure to comply with federal or state safety orders or written recommendations of our designated loss control representatives;
   h. The occurrence of a material change in the ownership of your business;
   i. The occurrence of any change in your business or operations that materially increases the hazard for frequency or severity of loss;
   j. The occurrence of any change in your business or operation that requires additional or different classification for premium calculation;
   k. The occurrence of any change in your business or operation which contemplates an activity excluded by our reinsurance treaties.
3. If we cancel your policy for any of the reasons listed in (a) through (f), we will give you 10 days advance written notice, stating when the cancelation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice. If we cancel your policy for any of the reasons listed in Items (g) through (k), we will give you 30 days advance written notice; however, we agree that in the event of cancelation and reissuance of a policy effective upon a material change in ownership or operations, notice will not be provided.
4. If we mail the notice to you, the stated periods of notice and your right to remedy the condition will be extended by 5 days if the place of mailing and your mailing address is within California, 10 days if the place of mailing or your mailing address is outside of California and 20 days if the place of mailing or your mailing address is outside of the United States.
5. The policy period will end on the day and hour stated in the cancelation notice.

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. **WD3-A427457-10** Endorsement No.

Insured

Insurance Company **MASSACHUSETTS BAY INSURANCE COMPANY**

Countersigned By Lynne Bourbeau

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **4**

SUBJECT: **APPROVE CONSTRUCTION AGREEMENT WITH CALMEX ENGINEERING, INC., FOR PN 869-A, ARTERIAL ROAD REHABILITATION PROJECT AT PALMDALE BLVD. FOR A TOTAL NOT TO EXCEED AMOUNT OF $4,581,216 FOR A TERM OF 60 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Construction Agreement No. A-9310 with Calmex Engineering, Inc., for PN 869-A Arterial Road Rehabilitation Project (Project) at Palmdale Blvd. for a total not to exceed amount of $4,581,216, which includes a contract amount of $3,983,666 plus a 15% contingency amount of $597,550, for a term of 60 working days from the date of the Notice to Proceed;

2. Authorize the City Manager or his designee to execute Agreement No. A-9310 with Calmex Engineering, Inc., including minimal and/or non-substantial changes; and,

3. Authorize the City Manager or his designee to approve change orders for additional or changed scopes of work up to the 15% contingency amount approved by the Council.

BACKGROUND

The proposed Project work shall be completed on Palmdale Blvd. between 50th Street East and 70th Street East. The rehabilitation will consist of full-depth reconstruction of the asphalt concrete roadway section and concrete improvements, and replacement of traffic striping and markings.

It is anticipated that the construction will take approximately sixty (60) working days from the date the City issues the Notice to Proceed.

DISCUSSION

On March 18, 2026, the Project was advertised for construction bids via the PlanetBids electronic platform. Nine bids were received on April 20, 2026. Calmex Engineering, Inc., submitted the lowest responsive bid and has secured the required 10% bid bond.

Bidder	Location	Amount
1. Calmex Engineering, Inc.	Bloomington, CA	$3,983,665.70
2. Hardy & Harper, Inc.	Lake Forest, CA	$4,015,000.00
3. Security Paving Company, Inc.	Westlake Village, CA	$4,177,351.18
4. Vance Corporation	Beaumont, CA	$4,298,654.54
5. Sully-Miller Contracting Company	Brea, CA	$4,420,053.57
6. R.C. Becker and Son, Inc.	Santa Clarita, CA	$4,485,509.22
7. C.A. Rasmussen, Inc.	Valencia, CA	$4,792,165.60
8. Toro Enterprises, Inc.	Oxnard, CA	$4,818,790.09
9. LCR Earthwork & Engineering, Corp.	Jurupa Valley, CA	$4,822,210.06

FISCAL IMPACT

$4,581,216; Sufficient funds are budgeted and available in Fiscal Year 2026-27. The project is funded using SB1 and Gas Tax Funds.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by: Salvador Mendez, City Manager
Approved as to form: Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9310 with Calmex Engineering, Inc.
Proposal
Fee Schedule
Site Map

AGREEMENT NO. A- 9310
CONSTRUCTION CONTRACT
BETWEEN THE CITY OF PALMDALE AND CALMEX ENGINEERING, INC.

THIS CONTRACT (“Contract”) is made and entered into by and between City of Palmdale, a public entity ("City"), and CALMEX ENGINEERING, 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:

PN 869-A - Arterial Road Rehabilitation Program.

The work shall be completed on Palmdale Boulevard between 50th Street East and 70th Street East and may consist of, but is not limited to: Saw-cutting; excavation, removal and disposal of the AC roadway section and PCC improvements; cold milling and disposal of AC pavement; replacement and compaction of subsurface material; full depth reclamation; setup and maintenance of traffic control system, placement of crushed aggregate base and AC, and ARHM pavement materials; replacement of traffic striping and markings; and clean up of the project area. The work is estimated to cost approximately $5,500,000 and shall be completed in 60 working days.

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 Three Million Nine Hundred Eighty-Three Thousand Six Hundred Sixty-Six Dollars ($3983666) 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 60 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 A Contractor's License **or Specialty Contractor License consisting of Class C-31 licensee** to perform the required work ("Work"). Contractor's DIR registration number is 1000005380. 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
- $5,000,000.00 limit on a per occurrence basis
- $10,000,000.00 general aggregate limit

11.1.2 Commercial Automobile Liability
- $10,000,000.00 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 -- $1,000,000.00 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	CALMEX ENGINEERING, INC.
Salvador Mendez Date City Manager	Robert J. Stone Date President
Lee Torres Apr 29, 2026, 1:16 PM PDT	
ADDRESS FOR NOTICE: CITY OF PALMDALE 38250 Sierra Highway Palmdale, CA 93550	ADDRESS FOR NOTICE: CALMEX ENGINEERING, INC. 2750 S. Lilac Avenue Bloomington, CA 92316
APPROVE AS TO FORM:	
Alexandra Severino City Attorney	
ATTEST:	ATTEST: If Corporation
Rochelle Scott City Clerk	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)

Record of Signing

For City of Palmdale
Name Leonardo Torres
Title



Signed on Apr 29, 2026 1:16 PM PDT

Secured by Concord™
DocumentID: 0338CS2lyT034pMM4f8Hnq
SigningID: 0338CS2Mj8CADYs9FJv1RR
UTC Signing time: 2026-04-29 20:16:05 UTC
IP Address: 206.171.111.149
Email: ltorres@cityofpalmdaleca.gov

concord™
Where agreements happen.

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

PALMDALE

a place to call home

BID FORMS

FOR

ARTERIAL ROAD REHABILITATION PROJECT – PALMDALE BOULEVARD

PN 869-A

PREPARED BY:

DEPARTMENT OF PUBLIC WORKS
38250 Sierra Highway
Palmdale, CA 93550
(661) 267-5300

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CHECKLIST FOR BIDDERS

The following information is required of all Bidders at the time of Bid submission:

- ☑ Bid Cover Form
- ☑ Bid Sheets
- ☑ Bid Bond or Other Security Form
- ☑ Questionnaire
- ☑ References Form
- ☑ Resume of General Construction Superintendent / On-Site Construction Manager
- ☑ Subcontractor Designation Form
- ☑ Industrial Safety Record Form
- ☑ Bidder's Acknowledgement of Community Workforce Agreement (Only if > $750k)
- ☑ Bidder's Acknowledgement of Liability Insurance Requirements
- ☑ Non-Collusion Declaration Form
- ☑ Non-Discrimination Form
- ☑ Penal & Civil Penalties Concerning Contractor's Licensing Laws Form
- ☑ Electrical Safety Policy Form (If Bid >$500,000)
- ☑ Letter of Assent

Failure of the Bidder to provide all required information in a complete and accurate manner subjects the Bid to be considered non-responsive.

BID COVER FORM

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Palmdale to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

Bidder acknowledges receipt of all addenda, as follows:

Addendum No. 1	Date: 4/8/2026	Addendum No. _____	Date: _____
Addendum No. 2	Date: 4/15/2026	Addendum No. _____	Date: _____
Addendum No. _____	Date: _____	Addendum No. _____	Date: _____
Addendum No. _____	Date: _____	Addendum No. _____	Date: _____

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check, or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses the California Contractor's License specified below.

License No: 685954
Class: A
Expiration: 3/31/2028

Bidder's Name: Calmex Engineering, Inc.
DIR Registration No: 1000005380
*UEI No: GE8CBMD1B146

*Only required for federally funded projects.

Signature: _____ Title: Robert J Stone- President, Secretary, Treasurer Date: 3/31/2026

Signature: _____ Title: Travis Bomhoff- VP of Operations Date: 4/1/2026

ADDENDUM NO. 1

FOR

ARTERIAL ROAD REHABILITATION PROJECT AT PALMDALE BOULEVARD

CITY PROJECT NO. PN 869-A

This addendum must be acknowledged via PlanetBids and should be included with the bid response. The purpose of this addendum is to address the following for this Approval to Bid:

I. PLANETBIDS Q & A

The following questions were asked and answered:

Q1) What is the engineer's estimate for this project?
A1) $5,500,000. As stated in Section A - Notice Inviting Bids, page 2 of 3, under Scope of Work.

Q2) What are the lane closure requirements for this project? As an example, will the contractor be allowed to restripe the roadway leaving one lane of traffic for each direction?
A2) The Contractor is responsible for providing the Traffic Control Plan (TCP). If a detour is requested, the Contractor must include the detour plan in the TCP when submitting for City approval.

Q3) The CWA Certificate States "FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER." Are the Letter of Assents for subcontractor's due at the time of bid?
A3) See the Letter of Assent (Example) on page 30 of 30, Section C – Bid Forms: *To be signed by all consultants (contractors) **awarded** work covered by the Community Workforce Agreement prior to commencing work.*

Q4) Per Notice Inviting Bids, your agency requires a electronic bid bond issued through Surety 2000 however a bid bond Supplemental Page to provide the unique bid bond ID# from Surety 2000 has not been included in your bid documents. Please clarify how we are to verify this bid bond.
A4) How to obtain an Electronic Bond from Surety2000:

1. Bidder must register with Surety2000 by visiting www.surety2000.com. If you have already registered with Surety2000 previously, you will not need to register again.
2. Verify that your Surety Broker is registered with Surety2000. If they are not, direct them to visit www.surety2000.com to register. Provide your Surety Broker the bond details for the proposal you want to bid to.
3. Once your Surety Broker has confirmed execution of the electronic bond creating log into the www.surety2000.com to digitally sign the bond and receive the eleven-digit bond number. Enter this number where indicated in the bid proposal submission.

Q5) Since the bid bond is required through Surety 2000 how do we or Surety 2000 attach it to Planetbids. There is nowhere on Planetbids to verify the bond.
A5) See Q4/A4 for Surety2000 instructions. Attached to the Addendum, you will find the Supplemental Page 9A Bid Bond Form. Use this form to provide the Surety2000 Bid Bond No.

Q6) Per Section 8. Facilities for Agency Personnel---Is a Class "A" field office required for this project?
A6) The City of Palmdale does not require a field office for this project. Please disregard Section E - Special Provisions, Section 8 on page 36 of 43.

Q7) Per Section F Special Provisions G I5 Order of Work "The work will consist of two phases for construction, as marked on page 4 of plans." Please correct as page 4 of the plans are not marked
A7) The City of Palmdale previously approved the TCP for this section of Palmdale Boulevard. The TCP has been rescinded and is the responsibility of the Contractor for this project. The Phasing described in Section F – Technical Provisions, Section G1-5 on page 4, shall be considered by the Contractors Engineer, when preparing the TCP. The City shall only enforce the phasing sections to be broken into two phases, so the road is not closed entirely for the duration of the project.

Q8) Are the existing manholes to be raised per Dept of Public Works Standard Plan with new PAMREX 24" or equal manhole frame and cover with RANGER PAMREX lock assembly
A8) The City of Palmdale will provide the PAMREX lids if the existing manholes are not per City Standards on this project, at no cost to the contractor.

Q9) What is the engineers estimate for this project?
A9) Repeat question, see Q1/A1.

Q10) Is there an engineer's estimate for this project?
A10) Repeat question, see Q1/A1.

Q11) There is about 35 LF of Type A HMA Dike that needs to be removed and replaced as shown on plan page 16. Can a bid item be provided for this work??
A11) Bid Item #33 has been added to PlanetBids and the dike standard plan has been attached for removal and replace in kind.

II.ADDITIONAL DOCUMENTS

Addendum Attachment No. 1 – Bid Bond Supplemental Page for Surety2000

2024 Standard Plan A87B – Hot Mix Asphalt Dikes

ADDENDUM NO. 1
April 7, 2026

END OF ADDENDUM

This addendum must be acknowledged via PlanetBids and should be included with the proposal response.

Robert J. Stone-President
Contractor's Representative

4/8/2026
Date

Calmex Engineering, Inc.
Company Name

ADDENDUM NO. 2
April 15, 2026

ADDENDUM NO. 2

FOR

ARTERIAL ROAD REHABILITATION PROJECT AT PALMDALE BOULEVARD

CITY PROJECT NO. PN 869-A

This addendum must be acknowledged via PlanetBids and should be included with the bid response. The purpose of this addendum is to address the following for this Approval to Bid:

I. ADDITIONAL DOCUMENTS

This Addendum revises the Bid Sheet (pages 6 and 7) to include all 33 line items listed in PlanetBids.

Addendum Attachment No. 2 – Revised Bid Sheet

Lee Torres, P.E.
Director of Public Works

END OF ADDENDUM

This addendum must be acknowledged via PlanetBids and should be included with the proposal response.

Robert J. Stone - president
Contractor's Representative

4/16/2026
Date

Calmex Engineering, Inc.
Company Name

Contractor Filters

> Name is not Empty

> Updated This Week

Contractors

Keyword Search

or > Keywords = 1000005380

e	Doing Business As (DBA)	Name	PWCR ▲	CSLB	Registration Start Date	Registration End Date	Crafts
ıtractor	CALMEX ENGINEERING, INC.	Calmex Engineering, Inc.	1000005380	685954	2025-07-01	2027-06-30	Laborer (Constru Fence Erector· Hous...

California Environmental Protection Agency

Air Resources Board

January 1, 2026

CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION

is issued to

CALMEX ENGINEERING, INC.

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2027**

Michelle Buffington

Michelle Buffington
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

9514

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization/Demobilization, Bonds & Insurance	LS	1	$31,000-	$31,000-
2	Traffic Control & CMS Boards	LS	1	$100,000-	$100,000-
3	Transport and Install Project Sign	LS	1	$1,235-	$1,235-
4	Develop and Implement Storm Water Pollution Prevention Plan	LS	1	$10,000-	$10,000-
5	Utility Coordination, including all necessary potholing for marked & unmarked utilities; repair all finished surfaces; protect utilities as applicable	LS	1	$28,100-	$28,100-
6	Survey & Construction Staking	LS	1	$91,800-	$91,800-
7	Prepare Traffic Control Plans	LS	1	$5,148-	$5,148-
8	Clearing & Grubbing	LS	1	$17,746-	$17,746-
9	Provide As-Built Plans	LS	1	$1,400-	$1,400-
10	Shoulder Backing	CY	230	$213-	$48,990-
11	Pulverize 16" & Regrade	SF	356,714	$0.39	$139,118.46
12	Remove 8" & Regrade	SF	356,714	$0.75	$267,535.50
13	Cold Plane 4" to 6" & Regrade	SF	47,717	$0.90	$42,945.30
14	Cold Plane 2"	SF	133,740	$0.19	$25,410.60
15	AC C2 PG 64-10	TN	15,852	$114-	$1,807,128-
16	ARHM GG-C PG 64-16	TN	6,612	$148-	$978,576-
17	Stabilization Allowance	SF	54,718	$4.50	$246,231-
18	Install Blue RPM's @ Fire Hydrant	EA	6	$52-	$312-
19	Lower Manhole Covers to Finish Grade	EA	26	$1,287-	$33,462-
20	Lower Water Valve Covers to Finish Grade	EA	10	$875-	$8,750-
21	Adjust Manhole Covers to Finish Grade	EA	26	$1,287-	$33,462-
22	Adjust Water Valve Covers to Finish Grade	EA	10	$875-	$8,750-

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
23	Remove & Install Permanent Traffic Loops	EA	2	$2,770-	$5,540-
24	12" White Crosswalk/Limit Line (Thermo)	LF	710	$5.15	$3,656.50
25	Striping Detail #9	LF	866	$1.05	$909.30
26	Striping Detail #22	LF	14,036	$1.05	$14,737.80
27	Striping Detail #27B	LF	20,592	$0.62	$12,767.04
28	Striping Detail #38	LF	4,808	$0.90	$4,327.20
29	Arrow Type IV (L/R) (Thermo)	EA	21	$128-	$2,688-
30	Legend "SIGNAL" (Thermo)	EA	1	$309-	$309-
31	Legend "AHEAD" (Thermo)	EA	1	$257-	$257-
32	Legend "STOP" (Thermo)	EA	2	$257-	$514-
33	Type A HMA Dike Replace in Kind	LF	40	$120-	$4,800-

Total Bid Price in Digits: 3,983,665.70

Total Bid Price in Words: Three million nine hundred eighty three thousand six hundred sixty- five dollars and seventy cents

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

CONTINUES ON NEXT PAGE

Attached hereto is bidder's security in the following form:

- ☐ Cash deposit
- ☐ Certified check, payable to Owner
- ☐ Cashier's check, payable to Owner
- ☑ Bid bond executed by an admitted surety insurer, payable to Owner

In the amount of:

10% Bidders Bond DOLLARS ($)

Said amount being not less than ten percent (10%) of the amount of bid.

Signature: _____ Title: Robert J Stone- President, Secretary, Treasurer Date: 3/31/2026

Signature: _____ Title: Travis Bomhoff- VP of Operations Date: 4/1/2026

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Palmdale ("Public Agency"), has issued an Invitation for Bids for the Work described as follows: PN 869-A – Arterial Road Rehabilitation Project - Palmdale Boulevard .

WHEREAS Calmex Engineering Inc 2750 Lilac Avenue, Bloomington, CA 92316
Name and Address of Bidder

("Principal"), desires to submit a Bid to Public Agency for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and

Swiss Re Corporate Solutions America Insurance Corporation 1200 Main Street, Suite 800, Kansas City, MO 64105
Name and Address of Surety

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the Public Agency in the penal sum of:

Ten Percent of Amount Bid DOLLARS ($ 10%)

being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the Public Agency and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the Public Agency in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

CONTINUES ON NEXT PAGE

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: 04/14/2026

"Principal"	"Surety"
Calmex Engineering Inc	Swiss Re Corporate Solutions America Insurance Corporation
Robert J Stone	Andrew J Waterbury
By: Robert J. Stone	By: Andrew J. Waterbury
Its:	Its: Attorney-In-Fact
By:	By:
Its:	Its:

Note: Evidence of the authority of any person signing as attorney-in-fact must be attached. Contractor's Bonding Company to attach appropriate Notary documents and Power of Attorney

SWISS RE CORPORATE SOLUTIONS

SWISS RE CORPORATE SOLUTIONS AMERICA INSURANCE CORPORATION ("SRCSAIC")
SWISS RE CORPORATE SOLUTIONS PREMIER INSURANCE CORPORATION ("SRCSPIC")

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT SRCSAIC, a corporation duly organized and existing under laws of the State of Missouri, and having its principal office in the City of Kansas City, Missouri, and SRCSPIC, a corporation organized and existing under the laws of the State of Missouri and having its principal office in the City of Kansas City, Missouri, each does hereby make, constitute, and appoint:

Andrew J. Waterbury

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

ONE HUNDRED FIFTY MILLION ($150,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both SRCSAIC and SRCSPIC at meetings duly called and held on the 9th of May 2012:

"RESOLVED, that any two of the President, any Managing Director, any Senior Vice President, any Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is, authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Corporation bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Corporation; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Corporation may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Corporation when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."

SWISS RE CORPORATE SOLUTIONS AMERICA INSURANCE CORPORATION SEAL 1973 MISSOURI

SWISS RE CORPORATE SOLUTIONS PREMIER INSURANCE CORPORATION SEAL MISSOURI

By_____
David Satory, Senior Vice President of SRCSAIC & Senior Vice President of SRCSPIC

By_____
Gerald Jagrowski, Vice President of SRCSAIC & Vice President of SRCSPIC

IN WITNESS WHEREOF, SRCSAIC and SRCSPIC have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 1ST day of SEPTEMBER, 20 24

Swiss Re Corporate Solutions America Insurance Corporation
Swiss Re Corporate Solutions Premier Insurance Corporation

State of Illinois
County of Cook SS

On this 1ST day of SEPTEMBER, 20 24, before me, a Notary Public personally appeared David Satory, Senior Vice President of SRCSAIC and Senior Vice President of SRCSPIC and Gerald Jagrowski, Vice President of SRCSAIC and Vice President of SPCSPIC, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.

OFFICIAL SEAL
KAREN M SZWEDA
Notary Public, State of Illinois
Commission No. 978628
My Commission Expires September 26, 2027

Karen M. Szweda, Notary

I, Jeffrey Goldberg, the duly elected Senior Vice President and Assistant Secretary of SRCSAIC and SRCSPIC, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said SRCSAIC and SRCSPIC, which is still in full force and effect.
IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 04/14/2026

Suretv 2000 Bond ID SCA0414590091

Executed by Andrew J. Waterbury

Jeffrey Goldberg, Senior Vice President & Assistant Secretary of SRCSAIC and SRCSPIC

The AIF has authority to sign the Proposal Bond, or Letter of Surety, and the Consent of Surety on behalf of the surety company, and shall further certify that such power is in full force and effect as of the date of the Proposal Bond, or Letter of Surety, and the Consent of Surety.

BID BOND

Supplemental Page 9A for Surety2000 Bid Bond No.

in Bid Forms

For **ARTERIAL ROAD REHABILITATION PROJECT AT PALMDALE BOULEVARD - PN 869-A**

Name and Address of Bidder:

Name: Calmex Engineering, Inc.

Address: 2750 S. Lilac Ave., Bloomington CA, 92316

Bidder will provide the unique bid bond ID no. from Surety2000 in the space below:

SCA04145900091

Bidder Signature: _____

Title: Robert J Stone- President

Date: 4/9/2026

QUESTIONNAIRE

Fill out all the following information. Attach additional sheets if necessary.

(1) Bidder's Name: Calmex Engineering, Inc.

(2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.
N/A

(3) Business Address: 2750 S. Lilac Ave., Bloomington CA, 92316

(4) Telephone: 909-546-1311

(5) Type of Firm (Individual, Partnership, LLC, or Corporation): Corporation

(6) Corporation organized under the laws of the State of: California

(7) California State Contractors License Number & Class: 685954- A

Original Date Issued: 3/24/1994 Expiration Date: 3/31/2028

(8) DIR Contractor Registration Number: 1000005380

(9) Name and title of the person(s) who inspected the Project Site for your firm:
Tom Sternfeld- Estimator

(10) Name and title of the person(s) who attended the mandatory pre-bid meeting for your firm, including the mandatory site visit (if any):
N/A

(11) Number of years' experience the company has as a contractor in construction work:
32

(12) Names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint venturers, and company or corporate officers having a principal interest in this bid:

Robert J Stone- President, Secretary, Treasurer

Travis Bomhoff- VP of Operations

2750 S. Lilac Ave., Bloomington CA, 92316 909-546-1311

(13) Current and prior D.B.A's, aliases, and fictitious business names for any principal having interest in this bid:

N/A

(14) Dates of any voluntary or involuntary bankruptcy judgements against any principal having an interest in this bid:

N/A

(15) For all arbitrations, lawsuits, settlements, and the link (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses and telephone numbers of contact persons for the parties:

N/A

Briefly summarize the parties' claims and defenses:

N/A

b. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number and the outcome:

N/A

(16) Has the company or any principal having an interest in this Bid ever had a contract terminated by the Owner or Agency? If yes, explain.

No

(17) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

No

(18) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

No

(19) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

a. By you against the Owner? Circle one: Yes **No**

b. By the Owner against you? Circle one: Yes **No**

c. By any outside agency or individual for labor compliance? Circle one: Yes **No**

d. By subcontractors? Circle one: Yes **No**

e. Are any of these claims or actions unresolved or outstanding? Circle one: Yes **No**

If your answer is "yes" to any part or parts of this question, please explain:

N/A

(20) List the last three (3) projects you have worked on or are currently working on for the City of Palmdale:

N/A

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

Company: Calmex Engineering, Inc.

Signature:

Title: Robert J Stone- President

Date: 3/31/2026

Signature:

Title: Travis Bomhoff- VP of Operations

Date: 4/1/2026

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino)

On March 31st, 2026 before me, Valeria Barajas, Notary Public
(insert name and title of the officer)

personally appeared Robert J Stone,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

VALERIA BARAJAS
Notary Public - California
San Bernardino County
Commission # 2483822
My Comm. Expires Mar 5, 2028

Signature _____ **(Seal)**

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino)

On April 1st, 2026 before me, Valeria Barajas, Notary Public
(insert name and title of the officer)

personally appeared Travis Bomhoff,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

VALERIA BARAJAS
Notary Public - California
San Bernardino County
Commission # 2483822
My Comm. Expires Mar 5, 2028

Signature _____ **(Seal)**

REFERENCES FORM

For all public agency projects more than $500,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1

Name/Number: 12-0U2304 | Rte. 241

Project Description: Grind and Overlay

Approximate Construction Dates: From: 6/2024 To: 11/2024

Agency Name: California Dept of Transportation

Contact Person: Luis Vazquez Telephone: 949-279-8640

Address: 4 Venture Suite 150 Irvine, Ca 92618

Original Contract Amount: $1,627,424.25 Final Contract Amount: $ $1,633,481.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

Change Order

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 2

Name/Number: Various Streets Phase 2

Project Description: Various Streets in Rialto CA Pavement Reconstruction

Approximate Construction Dates: From: 06/2024 To: 11/2024

Agency Name: City of Rialto

Contact Person: Art Cervantes, PMP Telephone: 909-820-2531

Address: 335 W. Rialto Ave Rialto CA 92376

Original Contract Amount: $8,064,168.70 Final Contract Amount: $ $7,692,524.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

Change Order

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 3

Name/Number: 23-24 Pavement Rehab

Project Description: Etiwanda Ave, Wineville Rd. Valley Way Jurupa Road | Project Rehab

Approximate Construction Dates: From: 11/2023 To: 05/2024

Agency Name: City of Jurupa Valley

Contact Person: Terry Renner Telephone: 951.680.0440

Address: 8930 Limonite Ave, Jurupa Valley, CA 92509

Original Contract Amount: $10,804,864.00 Final Contract Amount: $ 10,703, 000.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

Change Order

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 4

Name/Number: 11-2N1644 |RTE 8 El Centro

Project Description: Microsurafcing Coldplaning RHMA

Approximate Construction Dates: From: 10/2023 To: 05/2024

Agency Name: California Department of Transportation (CALTRANS)

Contact Person: Daniel Hernandez -Resident Engineer Telephone: 760-594-2008

Address: 1102 Montenegro Way El Centro, CA 92243

Original Contract Amount: $4,151,286.60 Final Contract Amount: $4,254,409.02

If final amount is different from original amount, please explain (change orders, extra work, etc.)

Change Order

Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

Project 5

Name/Number: Mountain Ave & Other Roads

Project Description: Pavement Rehab

Approximate Construction Dates: From: 02/2023 To: 08/2023

Agency Name: San Bernardino County Dept of PW

Contact Person: Carlos Seanez Telephone: 909-486-0277

Address: 825 E 3rd St, San Bernardino, CA 92415

Original Contract Amount: $7,588,470.40 Final Contract Amount: $ 7,890,913.00

If final amount is different from original amount, please explain (change orders, extra work, etc.)

Change Order

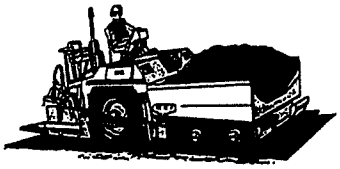
Did you or any subcontractor file any claims against the Agency? Circle one: Yes (No)

Did the Agency file any claims against you? Circle one: Yes (No)

If you answered yes to either of the above two questions, please explain and indicate the outcome of the claims:

N/A

CEI
Calmex Engineering, Inc.



Project References (Prime Jobs)

Agency:	California Department of Transportation
Project Name:	11-2N0214, Rte.5
Contact:	Genaro Genel
Phone:	619-688-6699
Contract Amount:	$4,006,419
Completion Date:	January / 2020

Agency:	California Department of Transportation
Project Name:	08-1J9404, Rte. 18
Contact:	John Santos
Phone:	909-383-4631
Contract Amount:	$224,000
Completion Date:	September / 2020

Agency:	California Department of Transportation
Project Name:	07-3W7704, Rte. 60
Contact:	Martin Sandoval
Phone:	213-897-3656
Contract Amount:	$4,130,036
Completion Date:	December / 2020

Agency:	California Department of Transportation
Project Name:	07-4U0404 RTE 101
Contact:	Mena Wassef
Phone:	805-480-4928
Contract Amount:	$909,935
Completion Date:	October / 2021

Agency:	California Department of Transportation
Project Name:	09-387904 RTE 190
Contact:	Justin Castleberry
Phone:	760-937-3758
Contract Amount:	$4,748,713
Completion Date:	November / 2021

Agency:	Town of Apple Valley
Project Name:	Stoddard Wells Rd
Contact:	Rich Burger
Phone:	760-240-7000
Contract Amount:	$1,648,685
Completion Date:	December / 2021

Agency:	California Department of Transportation
Project Name:	11A3161 Rte 163 Minor B
Contact:	Ben Haney
Phone:	858-518-8709
Contract Amount:	$ 198,178.95
Completion Date:	May / 2022

Agency:	California Department of Transportation
Project Name:	11-2N0124, Rte. 8/163
Contact:	Rene Figueroa
Phone:	858-688-1551
Contract Amount:	$6,301,679
Completion Date:	March / 2020

Agency:	California Department of Transportation
Project Name:	11-3A2664
Contact:	Shawn Rizzuto
Phone:	619-688-3377
Contract Amount:	$309,214
Completion Date:	October / 2020

Agency:	California Department of Transportation
Project Name:	12-0S4704 RTE 90
Contact:	Arezo Ghiam
Phone:	949-278-4124
Contract Amount:	$1,651,847
Completion Date:	October / 2021

Agency:	California Department of Transportation
Project Name:	09-385804 RTE 58
Contact:	Joselyn Vidaca
Phone:	760-937-1512
Contract Amount:	$824,134
Completion Date:	October / 2021

Agency:	California Department of Transportation
Project Name:	08-1K8404 RTE 247
Contact:	Khoa Nguyen
Phone:	951-232-8611
Contract Amount:	$3,158,860
Completion Date:	November / 2021

Agency:	California Department of Transportation
Project Name:	11A3375 Rte 5 Minor B
Contact:	Mike Vasquez
Phone:	858-688-1318
Contract Amount:	$224,232
Completion Date:	May / 2022

Agency:	California Department of Transportation
Project Name:	11-2N0574 Rte 68
Contact:	Ben Haney
Phone:	858-518-8709
Contract Amount:	$3,481,933
Completion Date:	May / 2022

Agency: California Department of Transportation
Project Name: 07-4W9304 Rte 105
Contact: Jose Ferrer
Phone: 562-572-5031
Contract Amount: $3,714,540
Completion Date: June / 2022

Agency: California Department of Transportation
Project Name: 08-1N3904 Rte 10 ELB
Contact: Ramadan Farag
Phone: 909-915-4928
Contract Amount: $354,863
Completion Date: July / 2022

Agency: Town of Apple Valley
Project Name: Cold Mix Overlay 2022
Contact: Rich Burger
Phone: 760-240-7000
Contract Amount: $ 1,083,562.00
Completion Date: January / 2023

Agency: City of Rialto
Project Name: 2021 Street Overlay
Contact: Amr Abuelhassan
Phone: 909-262-7858
Contract Amount: $11,680,000
Completion Date: June / 2023

Agency: California Department of Transportation
Project Name: 08-1K0504 Rte 62
Contact: Francisco Montellano
Phone: (951) 232-6413
Contract Amount: $ 625,349.10
Completion Date: October/ 2023

Agency: California Department of Transportation
Project Name: 12-0T6404 Rte 72
Contact: Mike Ezzedine
Phone: 949-279-8744
Contract Amount: $945,740.61
Completion Date: Feburary/ 2024

Agency: California Department of Transportation
Project Name: 12-0U1704 RTE 133/261
Contact: Luis Vazquez
Phone: (949) 279-6840
Contract Amount: $ 4,669,418.20
Completion Date: October / 2024

Agency: California Department of Transportation
Project Name: 07-0W7104 Rte 105
Contact: Steven Taing
Phone: (213) 793-7974
Contract Amount: $ 4,479,395.25
Completion Date: December/ 2024

Agency: City of Rialto
Project Name: Various Street Rehab Phase 2
Contact: Art Cervantes
Phone: (909) 820-2531
Contract Amount: $ 7,692,524.96
Completion Date: March/ 2025

Agency: City of Jurupa Valley
Project Name: 23/24 Pavement Rehab
Contact: Youssef Easkaron
Phone: 951-323-6464
Contract Amount: $ 10,704,194.82
Completion Date: May 2025

Agency: California Department of Transportation
Project Name: 07-319204 Rte 91/105/110/405
Contact: Dan Cortez
Phone: 213-793-7945
Contract Amount: $1,829,772
Completion Date: June / 2022

Agency: California Department of Transportation
Project Name: 08-1M1104 Rte 215
Contact: Kee Ooi
Phone: 951-840-8323
Contract Amount: $8,164,190.00
Completion Date: September / 2022

Agency: City of Hemet
Project Name: Citywide Pavement Rehab
Contact: Jorge F Perez
Phone: 909-544-9451
Contract Amount: $3,425,614.03
Completion Date: January / 2023

Agency: San Bernardino County Department of PW
Project Name: Mountain Ave and Other Road
Contact: Carlos Seanez
Phone: 909-486-0277
Contract Amount: $7,890,913.00
Completion Date: August / 2023

Agency: Town of Apple Valley
Project Name: Cold Mix Overlay 2023
Contact: Rich Burger
Phone: 760-240-7000
Contract Amount: $1,370,000
Completion Date: November/2023

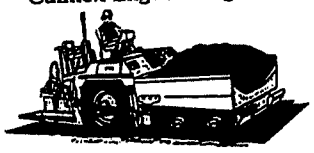
Agency: California Department of Transportation
Project Name: 11-2N1644 Rte 8
Contact: Daniel Hernandez
Phone: 760-594-2008
Contract Amount: $4,254,409.02
Completion Date: May/2024

Agency: California Department of Transportation
Project Name: 12-0U2304 Rte 241
Contact: Luis Vazquez
Phone: (949) 279-6840
Contract Amount: $ 1,633,481.20
Completion Date: August/2024

Agency: California Department of Transportation
Project Name: 07-0W6704 Rte 103
Contact: Ramon Robillos
Phone: 805-431-4352
Contract Amount: $ 1,596,705.00
Completion Date: Feburary/ 2025

Agency: California Department of Transportation
Project Name: 07-0W4504 Rte 138
Contact: Ramy Beshara
Phone: (213) 792-9662
Contract Amount: $ 8,424,883.00
Completion Date: May 2025

CEI
Calmex Engineering, Inc.



Project References (Sub Jobs)

Agency: California Department of Transportation
Project Name: 07-304004
Prime Contractor: O'Donnell
Contact: Neil
Phone: 909-394-4510
Contract Amount: $ 182,095.00
Completion Date: July / 2020

Agency: Eastern Municipal Water District
Project Name: Perris II Desalination Facility Project
Prime Contractor: Kiewit
Contact: Mike Sippl
Phone: 201-522-9024
Contract Amount: $ 36,957.89
Completion Date: October / 2020

Agency: California Department of Transportation
Project Name: 08-1G5504 RTE 40
Prime Contractor: RV Concrete
Contact: Brian Pinkerton
Phone: 714-888-1104
Contract Amount: $ 182,984.00
Completion Date: October / 2021

Agency: California Department of Transportation
Project Name: 07-4W5904 RTE 33
Prime Contractor: Intermountian Slurry Seal
Contact: Randy Contreras
Phone: 775-745-9021
Contract Amount: $ 327,348.00
Completion Date: October / 2021

Agency: California Department of Transportation
Project Name: 08-0Q75U4, Rte. 60 in Riverside
Prime Contractor: J.McLoughlin Engineering
Contact: Joe McLoughlin
Email: 909-721-1011
Contract Amount: $ 1,043,347,790.00
Completion Date: December / 2021

Agency: California Department of Transportation
Project Name: 11-431847 Rte 78
Prime Contractor: Rove Engineering
Contact: Tim Mountney
Phone: 760-815-8827
Contract Amount: $ 3,999,078.07
Completion Date: April/ 2023

Agency: California Department of Transportation
Project Name: 11-2T2184, I/5 North Coast Corridor, Seg 1B, 2 & 3
Prime Contractor: Flatiron-Skanska-Stacy and Witbeck JV
Contact: Dave Sharpnack
Phone: 951-295-3140
Contract Amount: $ 11,400,595.67
Completion Date: August / 2023

Agency: California Department of Transportation
Project Name: 11-404604 Rte 56
Prime Contractor: Flatiron West, Inc.
Contact: Chris Wyss
Phone: 858-736-5166
Contract Amount: $ 122,448.00
Completion Date: July / 2020

Agency: California Department of Transportation
Project Name: 08-1G5504 RTE 40
Prime Contractor: RV Concrete
Contact: Brian Pinkerton
Phone: 714-888-1104
Contract Amount: $ 182,984.00
Completion Date: October / 2021

Agency: California Department of Transportation
Project Name: 08-1K1904 RTE 15
Prime Contractor: Velarde Concrete Construction, Inc.
Contact: Amanda Velarde
Phone: 818- 898-2300
Contract Amount: $ 163,459.00
Completion Date: October / 2021

Agency: California Department of Transportation
Project Name: 08-1K1904 RTE 15
Prime Contractor: Velarde Concrete Construction, Inc.
Contact: Amanda Velarde
Phone: 818- 898-2300
Contract Amount: $ 163,459.00
Completion Date: October / 2021

Agency: California Department of Transportation
Project Name: 11-431894 Rte 78
Prime Contractor: Rove Engineering
Contact: Tim Mountney
Phone: 760-815-8827
Contract Amount: $ 3,805,082.89
Completion Date: April / 2023

Agency: California Department of Transportation
Project Name: 07-0W1104 Rte 210
Prime Contractor: Peterson Chase
Contact: Jon Vandersloot
Phone: 949-677-0295
Contract Amount: $ 1,808,904.61
Completion Date: June / 2023

Agency: California Department of Transportation
Project Name: 08-1P1904 Rte 173 ELB
Prime Contractor: Ferreria Construction
Contact: Chis Camping
Phone: 909-606-5900
Contract Amount: $ 1,686,538.65
Completion Date: October /2023

Agency:	California Department of Transportation
Project Name:	08-1M4904, Rte 10
Prime Contractor:	Velarde Construction
Contact:	Amanda Michaelis
Phone:	818-898-2300
Contract Amount:	$ 132,440.00
Completion Date:	November / 2023

Agency:	California Department of Transportation
Project Name:	07-0W4204 Rte 170
Prime Contractor:	Intermountain Slurry Seal
Contact:	Kristen Hubbert
Phone:	775-842-8324
Contract Amount:	$ 1,483,958.48
Completion Date:	September / 2024

Agency:	SBCTA / BNSF
Project Name:	1st Ave Bridge, Barstow
Prime Contractor:	Skanska
Contact:	Dennis Putnam
Phone:	909-721-9742
Contract Amount:	$ 1,012,616.33
Completion Date:	November/ 2024

Agency:	California Department of Transportation
Project Name:	Beador Construction
Prime Contractor:	08-1G4704, Rte 74 Morrill Canyon
Contact:	David Beador
Phone:	951-674-7352
Contract Amount:	$ 672,586.00
Completion Date:	March / 2025

Agency:	California Department of Transportation
Project Name:	08-1C5704 Rte 15
Prime Contractor:	Sema
Contact:	Robert Amparan
Phone:	951-446-4505
Contract Amount:	$ 163,011.14
Completion Date:	June/ 2024

Agency:	
Project Name:	Pacoima Spreading Grounds
Prime Contractor:	Ames Construction
Contact:	Jason Kriezel
Phone:	951-751-8937
Contract Amount:	$ 1,899,357.04
Completion Date:	September / 2024

Agency:	California Department of Transportation
Project Name:	08-1L3204, Rte 60/91/215 Separation, Riverside
Prime Contractor:	Diversified
Contact:	Anthony Rodriguez
Phone:	951-245-1686
Contract Amount:	$ 158,420.50
Completion Date:	Feburary / 2025

Agency:	City of Eastvale
Project Name:	Limonite Ave Gap Closure
Prime Contractor:	Ortiz Enterprises
Contact:	John Britt
Phone:	949-232-2878
Contract Amount:	$ 216,663.46
Completion Date:	September / 2025

RESUME

Attach to this Bid the experience resume of the person who will be designated as the General Construction Superintendent or on-site Construction Manager for the Project.

ELWYN ROBINSON

909-219-0507 | ElwynR@calmex.us

PROJECT MANAGER

Results- driven Project Manager with 5 years of experience leading and managing multiple projects, developing and maintaining project timelines, and implementing project management methods to efficiently complete projects.

EXPERIENCE

Calmex Engineering Inc May 2020 – Present

I began my career at Calmex Engineering as a driver for an attenuator and general laborer. In 2022, I was promoted to Project Foreman. In this role, I successfully managed and completed several key projects, including:

- Caltrans District 12, Route 55 - September 2022
- Town of Apple Valley Cold Mix Overlay - November 2022
- City of Rialto Street Overlay and Reconstruction- May 2022
- San Antonio Heights/Mountain Ave in Upland, San Bernardino County - July 2023
- Route 72 for District 12 - October 2023
- Town of Apple Valley Cold Mix Overlay - October 2023

As a project manager,

- City of Jurupa Valley - May 2024

Current Project

- City of Rialto: Various Streets Phase II"

Additionally, I have managed various emergency projects for Caltrans, demonstrating my ability to handle urgent and complex tasks efficiently.

United States Air Force - (Aug 2016 - March 2020)

Note Worthy Accomplishments:

- Silver Badge in German Proficiency Challenge
- Air Force Expeditionary Service Ribbon with Gold Bar
- Participated in Operation Inherent Resolve
- Assisted in Security for POTUS November 2018

I provided armed security at Beale Air-Force Base in Yuba City, California. I provided assistance to local law enforcement as required, including accident response as needed, and conducting CPR when required. I spent one tour of duty overseas in Operation Inherent Resolve. I have performed all phases of my training during my required duties. The highest rank I achieved was E4 in the Air Force, where I was responsible for leading, supervising, and training entry-level enlisted personnel.

Andy Chavez

Paving Superintendent

I started as a laborer and worked my way up to a paving superintendent. In my multiple roles and 29 years of experience, I have learned how to proficiently coordinate all aspects of a project to ensure a productive and efficient outcome.

Experience

CALMEX ENGINEERING, INC. | 1997 - PRESENT

Paving Foreman From 2007 to 2012

Paving Superintendent From 2012 to Present

- Supervise, coordinate, or schedule the activities of construction.
- Inspect work progress, equipment, or construction sites to verify safety or to ensure that specifications are met.
- Read specifications to determine construction requirements or to plan procedures.
- Estimate material or worker requirements to complete jobs.
- Assign work to employees, based on material or worker requirements of specific jobs.
- Order or requisition materials or supplies.
- Train workers in construction methods, operation of equipment, safety procedures, or company policies.
- Arrange for repairs of equipment or machinery.
- Direct site supervision of paving activities.
- Heavy equipment operator.
- Schedule subcontractors, trucking needed and personal required for efficient job progression.
- Conducted routine quality audits to ensure that work was progressing per the specifications and budget.
- Estimated quantities of daily materials needed.

DESIGNATION OF SUBCONTRACTORS
[Public Contract Code Section 4104]

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or $10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors. Contractor is required to fill out this table fully to be in compliance with the bid.

Name under which Subcontractor is licensed and registered	CSLB License Number(s) & Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)1
Pavement Recycling Systems, Inc.	569352-A/C-12	1000033603	10240 San Sevaine Way, Jurupa Valley, CA 91752 (951)682-1091	Cold Mill	0.9%
All American Asphalt	267073-A/C-12	1000001051	400 E. Sixth St. Corona CA 92878 (951)736-7025	Utilities Adjusting	2.1%
PCI	415490 C-32/ C-61/D-42	1000813536	975 W. 1st St. Azusa CA 91702 (562)218-0504	Striping & Marking	1.2%
Traffic Loops Crackfilling, Inc.	652956 C-10/ C-32	1000003794	946 S. Emerald St. Anaheim CA 92804 (714)520-4026	Loops	.2%

[1]*The percentage of the total Bid shall represent the "portion of work" for the purposed of Public Contract Code Section 4104(b).*

INDUSTRIAL SAFETY RECORD FORM

Bidder's Name: Calmex Engineering, Inc.

	Current Year of Record	2025	2024	2023	2022	2021	Total
Number of contracts	70	69	65	80	47	47	308
Total dollar amount of contracts[1]	80M	61M	62M	60M	37.5 M	38M	258.5 M
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	0	0	0	0	0	0	0
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	0	0	0	0

[1]*In thousands of dollars*

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: _____ Title: Robert J Stone- President Date: 3/31/2026

Signature: _____ Title: Travis Bomhoff- VP of Operations Date: 4/1/2026

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino)

On March 31st, 2026 before me, Valeria Barajas, Notary Public
(insert name and title of the officer)

personally appeared Robert J Stone,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

VALERIA BARAJAS
Notary Public - California
San Bernardino County
Commission # 2483822
My Comm. Expires Mar 5, 2028

Signature _____ **(Seal)**

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino)

On April 1st, 2026 before me, Valeria Barajas, Notary Public
(insert name and title of the officer)

personally appeared Travis Bomhoff,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

VALERIA BARAJAS
Notary Public - California
San Bernardino County
Commission # 2483822
My Comm. Expires Mar 5, 2028

Signature _____ **(Seal)**

BIDDER'S ACKNOWLEDGMENT OF CWA REQUIREMENTS

ONLY APPLICABLE FOR PROJECTS OVER $750,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE COMMUNITY WORKFORCE AGREEMENT AND AGREES TO COMPLY WITH ALL THE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LETTERS OF ASSENT FOR ALL SUBCONTRACTORS MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of the City of Palmdale's Community Workforce Agreement.

Signature: _____ Title: Robert J Stone- President Date: 3/31/2026

Signature: _____ Title: Travis Bomhoff- VP of Operations Date: 4/1/2026

BIDDER'S ACKNOWLEDGMENT OF LIABILITY INSURANCE REQUIREMENTS

THE BIDDER ACKNOWLEDGES THAT HE/SHE HAS READ THE LIABILITY INSURANCE REQUIREMENTS OF SECTION 5-4.2 OF THE GENERAL PROVISIONS AND AGREES TO COMPLY WITH ALL THE LIABILITY INSURANCE PROVISIONS AND REQUIREMENTS. FAILURE OF THE AWARDED CONTRACTOR TO OBTAIN THE REQUIRED LIABILITY INSURANCE, MAY CONSTITUTE A FAILURE TO EXECUTE THE CONTRACT AND SHALL RESULT IN THE FORFEITURE OF THE SECURITY OF THE BIDDER.

As the contractor's representative, I understand and agree to comply with all provisions of Liability Insurance as required under Section 5-4.2 of the General Provisions.

Signature: _____ Title: Robert J Stone- President Date: 3/31/2026

Signature: _____ Title: Travis Bomhoff- VP of Operations Date: 4/1/2026

NON-COLLUSION DECLARATION FORM
[Public Contract Code Section 7106]

The undersigned declares:

I am the President (Title) of Calmex Engineering, Inc. (Firm), the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 3/31/2026 (Date), at Bloomington CA (City, State)

Signature: _____

Printed Name: Robert J Stone- President

Date: 3/31/2026

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino)

On March 31st, 2026 before me, Valeria Barajas, Notary Public
(insert name and title of the officer)

personally appeared Robert J Stone,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

VALERIA BARAJAS
Notary Public - California
San Bernardino County
Commission # 2483822
My Comm. Expires Mar 5, 2028

Signature _____ **(Seal)**

BIDDER'S CERTIFICATE OF NON-DISCRIMINATION

Each bidder must submit with the Proposal a fully executed Bidder's Certificate of Non-Discrimination by Contractors. Bids will not be considered unless accompanied by the completed Certificate.

As a supplier of labor, materials, supplies, goods or services to the Owner, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

The undersigned agrees specifically:

1. To establish and observe employment policies which affirmatively promote opportunities for minority persons at all job levels.

2. To communicate such policies to all persons concerned, including all firm employees, outside recruiting services, especially those serving minority communities, and the minority communities at large.

3. To take affirmative steps to hire minority employees within the firm.

Calmex Engineering, Inc.
Firm Name of Bidder

By: _____
Signature of Authorized Officer

Robert J Stone- President
Title of Officer

Date: 3/31/2026

Please include any additional information available regarding equal opportunity employment programs now in effect within your firm:

Please see attached EEO Policy

CEI

Calmex Engineering, Inc.

"Paving Southern California Roads"

Affirmative Action/EEO Policy

Affirmative Action/EEO

EQUAL OPPORTUNITY STATEMENT

We will not discriminate based on race, color, religion, national origin, sex, or sexual preference. Our goal and our subcontractors' goal for minority and female employees will be whatever is required for each geographical are we are working in. We will take Affirmative Action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following;

- Employment
- Upgrading
- Demotion or Transfer
- Recruitment or Recruitment Advertising
- Layoffs or Termination
- Rates of Pay or other forms of Compensation
- Selection for training; including apprenticeship

Notices provided by the state highway department setting forth the provisions of this nondiscrimination clause will be posted in conspicuous places available to employees and applicants for employment.

EEO OFFICER:

Robert Stone is the EEO Officer of this company. His address and phone number are as follows;

Robert J. Stone

2750 S. Lilac Ave.

Bloomington, Ca 92316

(909) 546-1311

His title is President and EEO Officer of this company. His duties will include the following;

1. Maintain a working environment free of harassment, intimidation or coercion. He will disseminate this policy to all supervisors and foremen.
2. Monitor all employee-related activity to ensure that the company EEO policy is being carried out.
3. We shall disseminate the EEO policy in the following manner;

Affirmative Action/EEO

A. This EEO policy will be posted in our corporate office, 2764 S. Vista Ave.,Bloomington, CA 92316 , or wherever hiring is done. New employees will be required to signa statement that they have read and understand the policy.

B. Meetings will be conducted in conjunction with safety meetings to educate the superintendent and others in the field of the Equal Opportunity Policy of Calmex Engineering, Inc.

C. In addition, the Superintendent, Foremen, and other Supervisory employment shall be advised, in writing, of the EEO Officer and advise of their individual responsibilities in carrying out the program.

D. Calmex Engineering, Inc. shall maintain a record of the name, address, and telephone number of each job applicant (especially Minority and Female applicants), and of what action was taken with respect to each applicant, whether or not the applicant was hired and if not, the reason, therefore.

E. At the time of employment all employees shall be advised that Calmex Engineering, Inc. is an equal opportunity employer, and any hiring or promotion is based on the individual'squalifications or ability to perform the work. All employees, especially female and minorities will be notified of any job opening and requested to inform their acquaintancesof such openings.

F. Copies of this policy will be given to all subcontractors and local unions providing employees for this contract. This will include laborers and operating engineers.

G. The EEO Policy shall be reviewed annually with management personnel and employees.

H. This Affirmative Action Plan will be attached to all subcontracts and forms apart from them. If a subcontractor is found to be in non-compliance with this program, he/she will be given a period of thirty (30) days (or period not to exceed that subcontractors time on the job), to come into compliance.

4. We shall carry out such sanction and penalties for violations of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of exciting subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended and its implementing regulations, by the Officer of Federal Contract Compliance Programs.

5. We shall take complaints of discrimination or sexual harassment. As stated, before in this policy, Calmex Engineering, Inc. will maintain a working environment free of harassment, intimidation, or coercion.

Affirmative Action/EEO

AFFIRMATIVE ACTION PROGRAM

We, and our subcontract, will abide by the EEO requirements of this contract. This section 5-1.01 of the special provisions will be attached to and form a part of each subcontract.

Meetings will be held to discuss and analyze the minority/female employee ratios. Required courses of action will be decided at these meetings and personnel will be delegated to carry them out. Sanction and penalties for violation of these specifications and of the Equal Opportunity Clause, *including suspension, termination, and cancellation of exciting subcontracts may be imposed.*

All jobsites and the corporate office will post official EEO notices to employees. This is to be a minimum of a consolidated issue by EEO.

UNLAWFUL HARASSMENT

(Title 41-Public Contracts. Property Management) Section 60-20.8 defines sexual harassment and favors as:

Unwelcome sexual advances, request for sexual favors, and other verbal or physical conduct of a sexual nature.

Such advances are violations of Executive Order 11246, Section 402 and Section 503 when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment.
- Submission to rejection of such conduct by an individual is used as the basis for employment decision affecting such individual, or
- Such conduct has purpose of effect of "unreasonably" interfering with an individual's work performance or creating an intimidation, hostile or offensive work environment.

A contractor is liable under the order for the act of its officials, manager and supervisors when these individuals engage in the activities described above, regardless of whether their specific acts were authorized or forbidden by the contractor and regardless of what the contractor knew or should have known of their occurrence.

BIDDER'S ACKNOWLEDGING PENAL AND CIVIL PENALTIES CONCERNING THE CONTRACTORS' LICENSING LAWS

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code Section 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.
(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars ($4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both. In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, the price of the contract for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13 inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposed of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code Section 20103.5

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of prequalification questionnaire and financial statement. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

License No: 685954

Class: A

Expiration: 3/31/2028

Calmex Engineering, Inc.
Firm Name of Bidder

By: _____
Signature of Authorized Officer

Robert J Stone- President
Title of Officer

Date: 3/31/2026

STATE OF CALIFORNIA
dca
DEPARTMENT OF CONSUMER AFFAIRS

CONTRACTORS STATE LICENSE BOARD ACTIVE LICENSE

License Number **685954** Entity CORP

Business Name CALMEX ENGINEERING INC

Classification(s) A

Expiration Date 03/31/2028 www.cslb.ca.gov

CSLB

ELECTRICAL SAFETY POLICY – IMPLEMENTATION PLAN

PROJECT NAME:	ARTERIAL ROAD REHABILITATION PROJECT – PALMDALE BOULEVARD	PROJECT NO:	869-A

ONLY APPLICABLE FOR PROJECTS OVER $500,000
DO NOT SUBMIT THIS FORM UNLESS BID EXCEEDS THE AMOUNT LISTED ABOVE.

THE CONTRACTOR ACKNOWLEDGES THAT HE/SHE HAS READ THE ELECTRICAL SAFETY POLICY ADOPTED BY CITY OF PALMDALE RESOLUTION NO. CC 2007-249, ON NOVEMBER 7, 2007, AND AGREES TO IMPLEMENT ITS PROVISIONS. THE CONTRACTOR ATTESTS THAT IT'S ELECTRICAL WORKFORCE, INCLUDING SUBCONTRACTORS, SHALL COMPLY WITH THE FOLLOWING PROVISIONS IN ACCORDANCE WITH THE ELECTRICAL SAFETY POLICY:

1.	All electricians on the project shall be certified by the California Division of Apprenticeship Standards pursuant to California Labor Code Section 3099, unless the electrician is a registered apprentice performing electrical work as part of an apprenticeship program approved by the Chief of the California Division of Apprenticeship Standards, a federal Bureau of Apprenticeship Training program, or a state apprenticeship program authorized by the federal Bureau of Apprenticeship Training, or unless the electrician has fulfilled the requirements under Section 3099.4(a) of the California Labor Code in order to acquire the necessary on-the-job experience for certification.
2.	All jobsite journeyman level and apprentice electricians on the project must be OSHA 10-hour General Construction Industry Safety & Health Certified.
3.	All jobsite journeyman level electricians on the project must be OSHA 30-hour General Construction Industry Safety & Health Certified.
4.	All jobsite journeyman level and apprentice electricians on the project must be trained and certified in first aid and cardiopulmonary resuscitation (CPR) - Such training shall be equal to or exceed that offered by the American Red Cross.
5.	Electrical work performed on traffic signals, lighted signage, landscape irrigation systems and communication systems shall be exempt from the above provisions.

FAILURE TO FULLY IMPLEMENT AND MONITOR THE ELECTRICAL SAFETY POLICY MAY RESULT IN AN ASSESSMENT OF PENALTIES AND/OR POSSIBLE SANCTIONS AGAINST THE CONTRACTOR.

Distribution:

- *Contractor*
- *Project File*
- *Inspector*
- *Labor Compliance*

As the contractor's representative, I understand and agree to comply with all provisions of the subject Electrical Safety Policy.

Signature
Robert J Stone- President

3/31/2026
Date

CEI
Calmex Engineering, Inc.

State License # 685954
2750 S Lilac Ave. Bloomington, CA 92316
Telephone (909) 546-1311 | General Fax (909) 546-1317

April 9, 2026

Community Workforce Coordinator
City of Palmdale
38250 Sierra Highway
Palmdale, CA 93550
Attn: CWA Coordinator

Re: **Community Workforce Agreement - Letter of Assent**

To Whom it May Concern:

This is to confirm that Calmex Engineering, Inc. 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 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,

Calmex Engineering, Inc.

By: Robert J Stone, President
Contractor's State License No. 685954
Project Name: Arterial Road Rehabilitation Project – Palmdale Boulevard

BID SHEET

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF PALMDALE:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following price:

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
1	Mobilization/Demobilization, Bonds & Insurance	LS	1	$31,000-	$31,000-
2	Traffic Control & CMS Boards	LS	1	$100,000-	$100,000-
3	Transport and Install Project Sign	LS	1	$1,235-	$1,235-
4	Develop and Implement Storm Water Pollution Prevention Plan	LS	1	$10,000-	$10,000-
5	Utility Coordination, including all necessary potholing for marked & unmarked utilities; repair all finished surfaces; protect utilities as applicable	LS	1	$28,100-	$28,100-
6	Survey & Construction Staking	LS	1	$91,800-	$91,800-
7	Prepare Traffic Control Plans	LS	1	$5,148-	$5,148-
8	Clearing & Grubbing	LS	1	$17,746-	$17,746-
9	Provide As-Built Plans	LS	1	$1,400-	$1,400-
10	Shoulder Backing	CY	230	$213-	$48,990-
11	Pulverize 16" & Regrade	SF	356,714	$0.39	$139,118.46
12	Remove 8" & Regrade	SF	356,714	$0.75	$267,535.50
13	Cold Plane 4" to 6" & Regrade	SF	47,717	$0.90	$42,945.30
14	Cold Plane 2"	SF	133,740	$0.19	$25,410.60
15	AC C2 PG 64-10	TN	15,852	$114-	$1,807,128-
16	ARHM GG-C PG 64-16	TN	6,612	$148-	$978,576-
17	Stabilization Allowance	SF	54,718	$4.50	$246,231-
18	Install Blue RPM's @ Fire Hydrant	EA	6	$52-	$312-
19	Lower Manhole Covers to Finish Grade	EA	26	$1,287-	$33,462-
20	Lower Water Valve Covers to Finish Grade	EA	10	$875-	$8,750-
21	Adjust Manhole Covers to Finish Grade	EA	26	$1,287-	$33,462-
22	Adjust Water Valve Covers to Finish Grade	EA	10	$875-	$8,750-

Item No.	Description	Unit	Estimated Quantity	Unit Prices	Extended Amount
23	Remove & Install Permanent Traffic Loops	EA	2	$2,770-	$5,540-
24	12" White Crosswalk/Limit Line (Thermo)	LF	710	$5.15	$3,656.50
25	Striping Detail #9	LF	866	$1.05	$909.30
26	Striping Detail #22	LF	14,036	$1.05	$14,737.80
27	Striping Detail #27B	LF	20,592	$0.62	$12,767.04
28	Striping Detail #38	LF	4,808	$0.90	$4,327.20
29	Arrow Type IV (L/R) (Thermo)	EA	21	$128-	$2,688-
30	Legend "SIGNAL" (Thermo)	EA	1	$309-	$309-
31	Legend "AHEAD" (Thermo)	EA	1	$257-	$257-
32	Legend "STOP" (Thermo)	EA	2	$257-	$514-
33	Type A HMA Dike Replace in Kind	LF	40	$120-	$4,800-

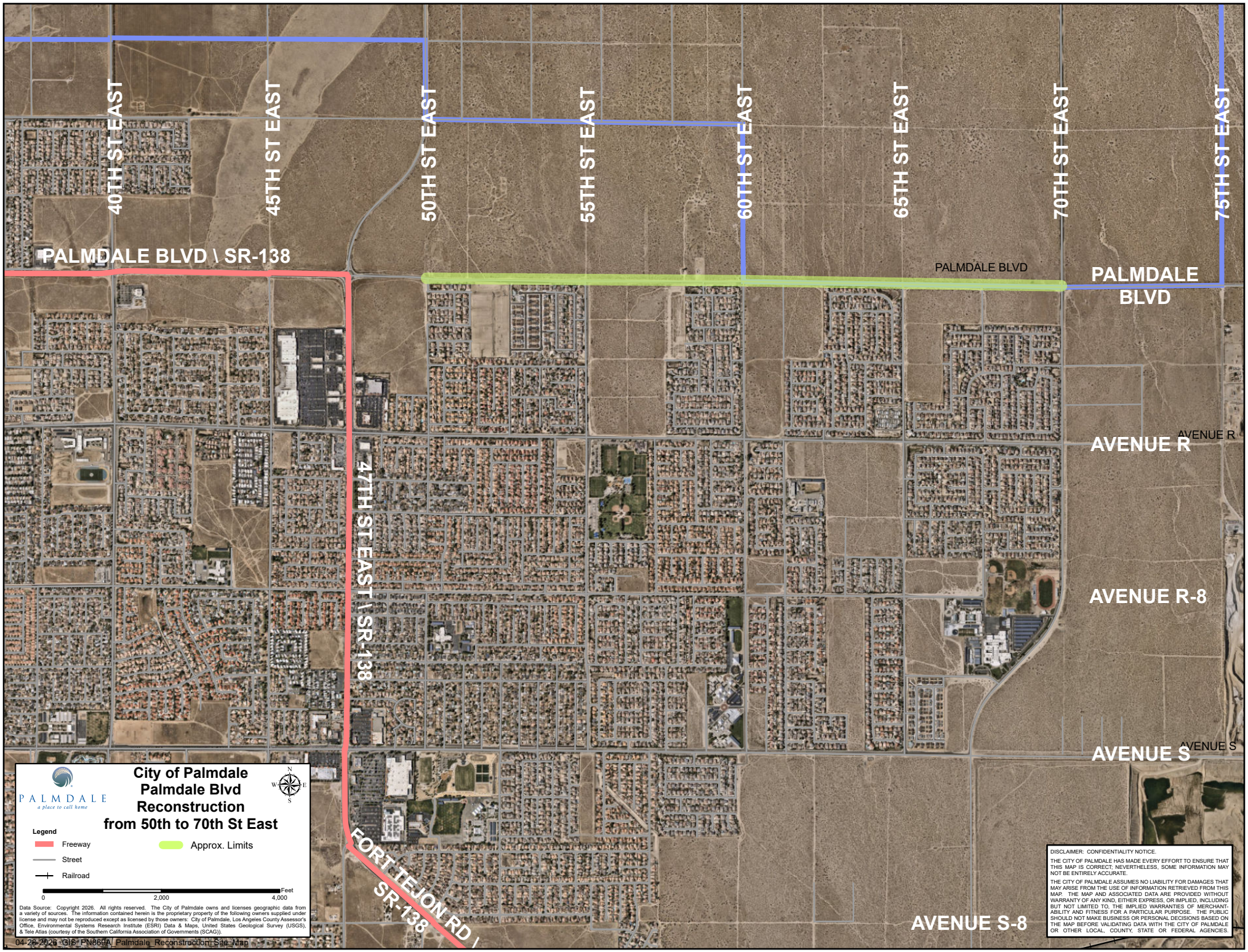
Total Bid Price in Digits: 3,983,665.70

Total Bid Price in Words: Three million nine hundred eighty three thousand six hundred sixty- five dollars and seventy cents

Note: Items and quantities are provided in the City's electronic bid management system, PlanetBids (PB™). Unit and extended prices shall be provided by Bidder in the electronic bid management system and shall equal the total bid price indicated here. In the case of any discrepancy between words and digits, the words shall prevail.

Items may not be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities; and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

CONTINUES ON NEXT PAGE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FORT TEJON RD \ SR-138
AVENUE S-8
City of Palmdale
Palmdale Blvd
Reconstruction
from 50th to 70th St East
PALMDALE
a place to call home
Legend
Freeway
Street
Railroad
Approx. Limits
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DISCLAIMER: CONFIDENTIALITY NOTICE
THE CITY OF PALMDALE HAS MADE EVERY EFFORT TO ENSURE THAT THIS MAP IS CORRECT; NEVERTHELESS, SOME INFORMATION MAY NOT BE ENTIRELY ACCURATE.
THE CITY OF PALMDALE ASSUMES NO LIABILITY FOR DAMAGES THAT MAY ARISE FROM THE USE OF INFORMATION RETRIEVED FROM THIS MAP. THE MAP AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANT-ABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PUBLIC SHOULD NOT MAKE BUSINESS OR PERSONAL DECISIONS BASED ON THE MAP BEFORE VALIDATING DATA WITH THE CITY OF PALMDALE OR OTHER LOCAL, COUNTY, STATE OR FEDERAL AGENCIES.
04-28-2026 GIS: PN860A Palmdale Reconstruction Site Map

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
MAINTENANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE REQUISITION WITH PLUMBER'S DEPOT INC. FOR A GAPVAX COMBINATION TRUCK FOR A TOTAL NOT TO EXCEED AMOUNT OF $932,482; AND APPROVE REQUISITION WITH NATIONAL AUTO FLEET FOR A FORD F-600 DUMP TRUCK FOR A TOTAL NOT TO EXCEED AMOUNT OF $133,358**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Requisition No. 261041 with Plumber's Depot Inc. for a GapVax Combination Truck for a total not to exceed amount of $932,482; and,

2. Authorize the City Manager or his designee to approve the requisition and resulting purchase order with Plumber's Depot Inc., including minimal and/or non-substantial changes.

3. Approve Requisition No. 261042 with National Auto Fleet for a Ford F-600 Dump Truck for a total not to exceed amount of $133,358; and,

4. Authorize the City Manager or his designee to approve requisition and resulting purchase order with National Auto Fleet, including minimal and/or non-substantial changes.

BACKGROUND

City Fleet Maintenance Division manages more than 350 vehicles and pieces of equipment that support operations across all departments. The division oversees the full lifecycle of fleet assets, including acquisition, preventative maintenance, repair, replacement planning, and decommissioning.

Fleet staff work with departments to ensure that vehicles remain safe, reliable, and suited to service requirements. This work includes developing long-range asset management strategies, maintaining compliance with regulatory and environmental standards, and administering purchases in accordance with the City's Vehicle Replacement and Purchasing policies. These efforts ensure that departments have the equipment necessary to deliver services efficiently while managing costs and extending the useful life of City assets.

DISCUSSION

As part of ongoing fleet management efforts, staff recommend the purchase of two vehicles that address critical operational needs: a GapVax combination truck to expand the Storm Drain Maintenance Program and a Ford F-600 dump truck to strengthen year-round street maintenance and storm response.

GapVax Combination Truck

The GapVax combination jet/vacuum truck is a strategic investment in the City's Storm Drain Maintenance Program. This unit will effectively double the current service capacity and enable a shift from reactive repairs to proactive, preventative maintenance. Increasing capacity is critical for managing an aging storm drain system, reducing flooding risks, and limiting long-term infrastructure deterioration. Due to the specialized manufacturing requirements, the estimated lead time for this unit is approximately twelve months.

Ford F-600 Dump Truck

The Ford F-600 Dump Truck, equipped with a removable snowplow, will replace a 2012 model that has exceeded its reliable service life, with more than 176,000 miles. Upgrading this vehicle enhances fleet dependability for year-round essential services, including snow removal, debris hauling, and other essential maintenance activities. The estimated delivery time for the dump truck is approximately four months.

Both vehicles have an expected useful life of 10 to 25 years. Fuel and maintenance costs are projected to be significantly lower than those of the aging equipment they replace or the cost of renting or outsourcing specialized equipment when needs arise. These purchases will increase operational capacity, improve service efficiency, and ensure departments have the tools necessary to meet service expectations.

Cooperative purchasing agreements will be used for both vehicle acquisitions. The GapVax combination truck will be purchased through Plumber's Depot, the exclusive distributor for Southern California, using Sourcewell Contract No. 101221-GPV. The Ford F-600 Dump Truck will be purchased using Sourcewell Contract No. 081325-NAF.

FISCAL IMPACT

$1,065,840; Sufficient funds for the requisitions and resulting purchase orders are budgeted in the Fleet Maintenance accounts. Funds are budgeted and available in FY 2025-26 in the Fleet Maintenance 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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Req. No. 261041 with Plumber's Depot Inc.
Req. No. 261042 with National Auto Fleet
Sourcewell Contract No. 101221-GPV
Sourcewell Contract No. 081325-NAF

Bill To	Requisition 00261041-00 FY 2026
FINANCE DEPARTMENT 38300 SIERRA HWY STE D PALMDALE, CA 93550	Acct No: 15433006-774400 Review: Buyer: cmantell Status: Allocated

Vendor	Ship To
PLUMBERS DEPOT INC 3921 W 139TH STREET HAWTHORNE, CA 90250 Tel#866-422-2156 X115 Fax 310 355-1711	PUBLIC WORKS/MAINTENANCE 39110 3RD ST EAST PALMDALE, CA 93550 adyer@cityofpalmdaleca.gov

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
04/03/26	003976	05/05/26			STREET MAINTENANCE

LN	Description / Account	Qty	Unit Price	Net Price
001	Gap Vax MC Series Combination Jet/Vacuum Machine	1.00 EA	932482.00000	932482.00
	The Above Line Item Is Required By:	04/03/26		
1	15433006-774400		932482.00	

Requisition Link

Requisition Total 932482.00

***** General Ledger Summary Section *****

Account	Amount	Remaining Budget
15433006-774400	932482.00	2076630.30

Authorized By: _____ Date: _____
Signature

Bill To	Requisition 00261042-00 FY 2026
FINANCE DEPARTMENT 38300 SIERRA HWY STE D PALMDALE, CA 93550	Acct No: 15433006-774400 Review: Buyer: cmantell Status: Allocated Page 1

Vendor	Ship To
NATIONAL AUTO FLEET GROUP 490 AUTO CENTER DRIVE WATSONVILLE, CA 95076 Tel#855-289-6572 Fax 831-480-8497	PUBLIC WORKS/MAINTENANCE 39110 3RD ST EAST PALMDALE, CA 93550 adyer@cityofpalmdaleca.gov

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
04/03/26	007857	05/05/26			STREET MAINTENANCE

LN	Description / Account	Qty	Unit Price	Net Price
001	F600 ford dump body	1.00 EA	133358.00000	133358.00
1	15433006-774400		133358.00	

Requisition Link

Requisition Total 133358.00

***** General Ledger Summary Section *****

Account	Amount	Remaining Budget
15433006-774400	133358.00	2076630.30

Authorized By: _____ Date: _____
Signature

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CONTRACT EXTENSION

Contract Number: 101221-GPV

Sourcewell
202 12th Street Northeast
P.O. Box 219
Staples, MN 56479
(Sourcewell)

and

GapVax
575 Central Ave

Johnstown, Pennsylvania 15902-2600
(Vendor)

have entered into Contract Number: 101221-GPV
for the procurement of: Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies

The Contract has an expiration date of 2025-11-29 , but the parties may extend the Contract by mutual consent.

Sourcewell and Vendor acknowledge that extending the Contract benefits the Vendor, Sourcewell and Sourcewell's Members. Vendor and Sourcewell agree to extend the Contract listed above for an additional period, with a new Contract expiration date of 2026-11-29 . All other terms and conditions of the Contract remain in full force and effect.

Sourcewell

Signed by: Jeremy Schwartz
C0FD2A139D06489...
Authorized Signature

Jeremy Schwartz
Name

Chief Operating and Procurement Officer
Title

2/7/2025 | 4:14 PM CST
Date

Signed by: Gary A. Pobosrky
97DECE6A2796467...
Authorized Signature

Gary A. Pobosrky
Name

ceo
Title

2/10/2025 | 10:45 AM CST
Date

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Sourcewell

Solicitation Number: RFP #101221

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and GapVax Inc., 575 Central Avenue, Johnstown, PA 15902 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires November 29, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

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Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

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returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

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- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

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contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

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- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

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by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

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E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use thetrademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

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resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

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14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

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The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for Products-Completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

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primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

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21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

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C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

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of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

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

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

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T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 11/23/2021 | 8:50 PM CST

GapVax Inc.

DocuSigned by:
By: Gary A. Poborsky
97DECE6A2796467...
Gary A. Poborsky
Title: President
Date: 12/20/2021 | 11:24 AM CST

Approved:

DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 12/20/2021 | 11:25 AM CST

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RFP 101221 - Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies

Vendor Details

Company Name:	GapVax Inc
Address:	575 Central Ave. Johnstown, PA 15902
Contact:	Matt Hughes
Email:	mhughes@gapvax.com
Phone:	814-535-6766 357
Fax:	814-539-3617
HST#:	25-1633228

Submission Details

Created On:	Wednesday September 01, 2021 09:42:15
Submitted On:	Tuesday October 12, 2021 14:06:26
Submitted By:	Matt Hughes
Email:	mhughes@gapvax.com
Transaction #:	8fa7ef9f-d273-42c6-9d49-164f2c639801
Submitter's IP Address:	207.255.5.150

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	GapVax Inc.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	There are no subsidiary entities.	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	There are no assumed names or DBA names.	*
4	Proposer Physical Address:	GapVax Inc. 575 Central Avenue Johnstown, PA 15902	*
5	Proposer website address (or addresses):	www.gapvax.com	*
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Gary A. Poborsky President GapVax Inc. 575 Central Ave. Johnstown, PA 15902 gary@gapvax.com M 814-242-4140	*
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Matt Hughes Senior Vice President, Sales GapVax Inc. 575 Central Ave. Johnstown, PA 15902 mhughes@gapvax.com M 814-322-7724	*
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Betty Smith Vice President, Administration GapVax Inc. 575 Central Ave. Johnstown, PA 15902 betty@gapvax.com 814-535-6766 x322	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	GapVax Inc. can trace its history back to one of the worst natural disasters in Pennsylvania's history. The Johnstown Flood of 1977 resulted from 11 ½ inches of rain falling in 10 hours and the failure of 6 area dams, pouring 128 million gallons of water into the small steel town. Not long after the devastating flood, a soon-to-be entrepreneur named Gary Poborsky sprang into action. He quit his job, purchased a used septic pumper truck, and went to work in his hometown helping clean flooded factories and churches, cleaning storm and sanitary sewers, and assisting with other clean-up work within Johnstown's residential and industrial community. Gary's modest venture eventually became GAP Pollution & Environmental Control, Inc. Through tireless effort and unwavering support from his wife Rose, Gary turned his one-truck start-up into an entire fleet of industrial vacuum and municipal sewer cleaning trucks. To this day, GAP Pollution & Environmental Control is an industry leader offering wet/dry vacuuming, hydro excavation, and sewer cleaning throughout North America. Several years after starting their service business, Gary and Rose were so frustrated with maintenance issues and costly downtime associated with the products they were purchasing, they decided to try their hand at building a better mousetrap. As a result, in 1989, the first GapVax vacuum truck was introduced to the market. By 1994, GapVax Inc. was a full-fledged corporation. Since its inception, Gary has operated GapVax with this business philosophy: We will design and build the highest quality hydro excavation and sewer cleaning equipment that requires the least maintenance costs and the lowest long-term ownership cost. As Gary and Rose approach their 45th year in business, they remind their employees, dealers, vendors, and family members that every company will succeed if they focus on the people -- not just our valued employees and customers, but the people in our community -- just like Gary did after the Johnstown flood. So as we continue to grow into new markets and develop new products, we do so with the corporate mission of "Being good stewards of the communities where we work, live, and play."	*

10	What are your company's expectations in the event of an award?	We expect current and future Sourcewell members to purchase GapVax products to add industry-leading equipment to their fleet and achieve their goals of safely exposing and cleaning underground utilities, storm sewers, and sanitary sewers. Our ever-growing dealer network stands ready to support Sourcewell members with a standard of excellence that aligns with our corporate mission. By doing so, we expect to create new relationships with Sourcewell members and grow our government and education market share.	*
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Please see the GapVax Financial Information file that has been uploaded as part of our proposal.	*
12	What is your US market share for the solutions that you are proposing?	As a privately held, family-owned business, GapVax considers our market data confidential. However, we are very proud of the growth we've experienced since our first Sourcewell contract in 2018 and feel this is vital information to share. Before 2017, we manufactured between 60 to 90 machines a year and were at maximum capacity due to facility constraints. To help with our goal of continued growth, we completed two major capital expansion projects, one in 2017 and another in 2020. This investment gained a total of 160,000 sq. ft. of additional manufacturing space. As a result, our sales increased an average of 17.3% each year from 2017 to 2020. We attribute this growth to two main factors: 1) The sales acceleration from our initial Sourcewell contract award, and 2) The manufacturing space added to support the increased sales.	*
13	What is your Canadian market share for the solutions that you are proposing?	As a privately held, family-owned business, GapVax considers our market data confidential. However, we are very proud of the growth we've experienced since our first Sourcewell contract in 2018 and feel this is vital information to share. Before 2017, we manufactured between 60 to 90 machines a year and were at maximum capacity due to facility constraints. To help with our goal of continued growth, we completed two major capital expansion projects, one in 2017 and another in 2020. This investment gained a total of 160,000 sq. ft. of additional manufacturing space. As a result, our sales increased an average of 17.3% each year from 2017 to 2020. We attribute this growth to two main factors: 1) The sales acceleration from our initial Sourcewell contract award, and 2) The manufacturing space added to support the increased sales.	*
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, GapVax Inc. never petitioned for bankruptcy.	*
15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	b) GapVax Inc. is the manufacturer of GapVax branded equipment. Our dealers are independently owned and operated, not owned by GapVax Inc. The dealers handle most of the sales process, including equipment demonstrations, quotation, fulfillment, and all service work associated with GapVax products.	*
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	The Commonwealth of Pennsylvania licenses GapVax Inc. as a "VEHICLE MANUFACTURER" and a "VEHICLE DEALER." In addition, our Pennsylvania-based sales force has "VEHICLE REPRESENTATIVE" licenses also issued by the Commonwealth of Pennsylvania. Other licenses include State Sales Tax License, Business Privilege License, Pennsylvania State Vehicle Inspection License, State of Texas Converters License, State of Texas Vehicle Dealer License, Florida Manufacturer License, Louisiana Converter License, Kentucky Motor Vehicle Component License, National Association of Trailer Manufacturers Certificate of Compliance, and a Minnesota Workforce Certificate of Compliance. GapVax Inc. is registered with the Secretary of State in each state that is required.	*
17	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	GapVax Inc. has no Suspension or Disbarment notices to report.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
18	Describe any relevant industry awards or recognition that your company has received in the past five years	2021 - Ralph Macchio Lifetime Achievement Award - The pumping industry's highest honor was awarded this year during the WEQ Fair in York, Pennsylvania, recognizing Gary Poborsky, owner of GapVax, for his 44 years of dedication and commitment to the industry. This award epitomizes the saying, "The best compliment any professional can receive is praise from another within their discipline." More information can be found at https://www.plumbermag.com/how-to-articles/gapvax-weq-fair-inc/macchio-achievement-award-to-be-presented-at-upcoming-weq-fair 2016 - Gary & Rose Poborsky, Cambria Regional Chamber of Commerce Business Hall of Fame Inductees - The Cambria Regional Chamber of Commerce, and Junior Achievement of Western Pennsylvania sponsor an annual award ceremony to celebrate the lives of extraordinary leaders whose achievements have enhanced the cultural, civic and economic growth of our region. The following link is the video submitted for their induction ceremony https://youtu.be/5plz7v45LsU	*
19	What percentage of your sales are to the governmental sector in the past three years	Our percentage of sales in the last three years to the government sector is: 2018 = 34% 2019 = 28% 2020 = 44% Average 35%	*
20	What percentage of your sales are to the education sector in the past three years	GapVax Inc. chooses to combine the education sector into government sales. Our percentage of sales in the last three years to the government sector is: 2018 = 34% 2019 = 28% 2020 = 44% Average 35%	*
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Please see our GapVax Cooperative Purchasing Contract list that has been uploaded as part of our proposal.	*
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GapVax Inc. does not currently hold a GSA Contract. However, we have a dealer that holds a GSA multiple award schedule that we utilize.	*

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Ventura	Frank Palmer	805-652-4573	*
City of Santa Ana	Edwin Sosa	714-472-7106	*
Santa Margarita Water District	Bill Webster	949-289-3327	*
Cape May County MUA	John Reardon Jr.	609-465-3968	

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City in TX	Government	Texas - TX	Sewer Cleaner, Hydro-Excavation	Avg $338,350.00	$1,015,054.00	*
County in CA	Government	California - CA	Sewer Cleaner	Avg $316,962.00	$950,888.00	*
State Transportation Agency, PA	Government	Pennsylvania - PA	Sewer Cleaner	Avg $306,000.00	$918,005.00	*
City in OH	Government	Ohio - OH	Sewer Cleaner	Avg $290,248.00	$870,745.00	*
City in KY	Government	Kentucky - KY	Hydro-Excavation	Avg $244,730.00	$489,461.00	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	

25	Sales force.	The GapVax sales team relies heavily on government markets to achieve corporate sales goals. Our teams consist of 6 Regional Sales Managers that oversee 22 Municipal Government dealers and two Federal Government dealers in the North American market. The Regional Sales Managers (RSM) go through an extensive factory training program that includes a minimum of 30-days on the shop floor, shadowing various disciplines. They spend most of their time working with the Quality Control team learning deep-dive inspection techniques that include testing, verification, adjustment, validation, test drives, and standard field repairs. Our customers and dealers value our rigorous internal training program and often refer to our RSM's as the most knowledgeable Subject Matter Experts in the industry. After training, the RSM's are deployed into the government sector to develop relationships with city, county, and state fleet managers, sewer, water, and wastewater department heads, and customers in the federal and educational markets. The RSM's also work with GapVax dealers to provide product training and a greater understanding of the Sourcewell sales process. The GapVax dealer is ultimately responsible for promoting and supporting the GapVax products they sell. In reference to the potential Sourcewell Sewer, Vacuum, Hydro-Excavation Equipment contract, the RSM's would promote the contract to state and local government officials who either do not have their own state purchasing contract or have limited products in their existing state contracts. If awarded, the RSM's will promote these resources to their dealers and partners throughout North America: 1) Sourcewell Sales Accelerator Seminar 2) Sourcewell University 3) Sourcewell New & Reclaimed Participating Agency Update
26	Dealer network or other distribution methods.	GapVax dealers are known for their dedication to providing best-in-class sales and customer service. Our ever-growing dealer network stands ready to support Sourcewell members with a standard of excellence that aligns with our corporate mission of "Being good stewards of the communities where we work, live, and play." GapVax dealers are privately-owned companies that are the link between GapVax and the end-user. Our dealers' sales managers oversee a team of representatives responsible for selling and marketing in their exclusive territories. In addition, each dealer is required to stock replacement parts and provide in-house and (or) on-site service and repair. GapVax dealer Tina and Cory McDonough of One.7 in Ravensdale, WA, are excellent examples of "Being good stewards of the communities where we work, live, and play." Their tireless pursuit of cancer awareness led them to start the Valley Girls & Guys foundation. Their once-small endeavor has grown into a thriving community service organization in the pacific northwest. More information on their public service can be found at: https://www.1point7.com/breast-cancer-awareness-wa-ca-az-nv-ak-nj-ut--three-day and https://valleygirlsandguys.org/ Having 22 GapVax dealer locations across North America, the likelihood of each of them establishing a thriving non-profit charity is not realistic, but that doesn't stop us from promoting the success of Cory and Tina McDonough and using community service as criteria for evaluating dealer success. For a complete list of Dealers, please reference the attached file GAPVAX DEALER AND SERVICE MAP. For more information on our dealer One.7 please see file GAPVAX MEET THE DEALER - ONE7
27	Service force.	In addition to two factory-owned service centers, one in Pennsylvania and the other outside of Houston, TX, GapVax uses channel partners as our service force to provide service, repair, and warranty support to our end-user customers. Our government sales sector has 22 dealers in the United States and Canada to meet the vast needs of Sourcewell members. We also utilize 16 factory-authorized service and repair facilities to offer added support outside our dealer network. The independently owned facilities provide in-house and (or) on-site service, repair, warranty, and equipment rental. Often our service force will act as a "force-multiplier" by identifying additional sales opportunities while providing first class service, repair, and warranty. For a complete list of service providers, please reference the attached file GAPVAX DEALER AND SERVICE MAP.
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Sourcewell members will follow our Dealer-to-Government order process. The order process begins with the GapVax quote document. It is available on our web-based GapVax dealer portal and updated as needed. The dealer will download the current document revision and work with the Sourcewell member to develop a quotation that best suits their needs. Next, the finalized quotation is sent to GapVax Inc for engineering review. After engineering's final approval, the quote is logged into our document control system, awaiting the purchase order. Finally, the Sourcewell member or GapVax dealer is notified of engineering approval and submits the purchase order to the GapVax Regional Sales Manager for processing, noting the Sourcewell contract number on the PO. After the product is built, the dealer or GapVax Inc. will coordinate the delivery to the Sourcewell member. Upon final acceptance of the product, GapVax Inc., at its discretion, can invoice the Sourcewell member directly or elect to have the dealer invoice them (referencing the Sourcewell contract number.) Having all PO's sent to our Regional Sales Managers ensures the orders are correctly entered and monitored for accurate quarterly reporting.

29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Unless the Sourcewell member is within the geographic parameters of our two factory-direct service centers, the support of GapVax equipment occurs at our nationwide dealer network or our 16 factory-authorized service, warranty, and repair centers. The preferred method for scheduling warranty, service, or repair is to call ahead. Some locations offer drive-in service, and some provide field service capabilities that allow service work at the customer's site. Our directive is to respond within 24 hours of the customer's initial contact. Turnaround time is based on the scope of work required for the repair or service. The corporate office has trained service representatives on-call 24 hours a day, seven days a week, to support the customer, dealer, or service centers. While the post-sale customer service ultimately falls to the dealer or service network, the around-the-clock support offered by GapVax to our service and repair technicians ensures each member receives a consistent customer experience. When appropriate, customer service issues are elevated to the Regional Sales Managers, General Manager of Warranty and Service, Vice President of Sales, and, if necessary, the company President for resolution. For a complete list of dealers and service centers, please reference the attached file GAPVAX DEALER AND SERVICE MAP.	*
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	As described in some of the earlier questions, the GapVax government sales team utilizes 6 Regional Sales Managers that oversee 22 Municipal Government dealers and two Federal Government dealers. GapVax will promote the awarded Sourcewell contract to all current and future members of the government and educational sectors across North America. GapVax also utilizes factory-authorized service and repair facilities to offer added support outside our dealer network. Often our service force will act as a "force-multiplier" by identifying additional sales opportunities while providing first class service, repair, and warranty.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	As described in some of the earlier questions, the GapVax government sales team utilizes 6 Regional Sales Managers that oversee 22 Municipal Government dealers and two Federal Government dealers. GapVax will promote the awarded Sourcewell contract to all current and future members of the government and educational sectors across North America. Pre-pandemic, GapVax was negotiating with dealers in Canada to promote the Canoe Procurement Group, a Sourcewell partner in Canada. Unfortunately, international travel restrictions have temporarily sidelined the project. However, we fully intend to move forward with this plan and look forward to improving our coverage in Canada.	*
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	GapVax will promote the use of the awarded Sourcewell contract to all current and future members in the United States, including Alaska and Hawaii, and Canada.	*
33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	GapVax will promote the use of the awarded Sourcewell contract to all current and future members in all participating entity sectors.	*
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	GapVax will serve all current and future Sourcewell members and market segments in Hawaii, Alaska, US Territories, and Canada. Factory freight will be calculated at quoting and will be included on the quote to the Sourcewell member.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	GapVax will market the proposed Sourcewell contract through: a) Marketing staff and dedicated budget for marketing material and collateral items b) Internal and external staff communicating with government, end-users, and dealers c) Marketing campaigns using print media, digital media, online display ads, online and print buyers guides, e-blasts, e-newsletter, and social media (samples uploaded) d) Training of GapVax staff and dealers at annual dealer meeting, regional dealer meetings, corporate open house, and GapVax dealer's open house e) Maintaining a robust GapVax presence at tradeshows and association events such as WWETT, APWA Regional Shows, CWEA, WJTA, WEQ, Utility Expo, PA Safety Days, Tri State Seminar, NASTT No-Dig Show, TWUA, and TML, etc. f) Continued GapVax dealer network expansion g) GapVax dealer-only portal to access government sales tools such as the Sourcewell Contract, explanation of benefits, product offering and who to contact with quoting or ordering questions. h) GapVax.com public website to access Sourcewell Contract video and general description of cooperative purchasing advantages. Visit www.gapvax.com/purchasing i) Marketing material and literature with product offerings to include Sourcewell logos and contract numbers (samples uploaded)	*
36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	GapVax Inc's marketing department, Regional Sales Managers, dealers, and partner contributors will continue to use social media platforms, including Facebook, Instagram, LinkedIn, TikTok, and Twitter, to build brand awareness, display customer affinity, communicate best-in-class value, and drive leads to our channel partners who sell and support our products locally. In addition, we will utilize Digital Media, Online Display Ads, E-Blasts, E-newsletters, and other digital communications to deliver our message to Sourcewell members. For a sample of our digital communications, please reference the attached file GAPVAX E-NEWSLETTER SAMPLE.	*
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Our view of Sourcewell's role in promoting contracts from this RFP includes a broad-coverage PR event announcing the contract award. Additionally, for optimum coverage, Sourcewell should issue individual news releases to each contract holder so they can distribute them through their PR channels. The integration of Sourcewell into our sales process is an ongoing activity that currently exists today. Sourcewell plays a key role in supporting our Regional Sales Managers in their pursuit of capturing new Sourcewell members, supporting existing Sourcewell members, and continuously educating our dealer network. If awarded, we will include the following tools in our plan: 1) Sourcewell Sales Accelerator Seminar 2) Sourcewell University 3) Sourcewell New & Reclaimed Participating Agency Update Further, we will invite our Sourcewell Contract Administrator to present Sourcewell's advantages at our annual dealer meeting, regional dealer meetings, and corporate open house.	*
38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	GapVax products are currently not available through e-procurement for government and education customers. However, we expect technology to advance to the degree that e-procurement platforms will one day easily adapt to our customer's procurement systems and have the capacity to configure very complex equipment combinations. When it comes to GapVax equipment, there are thousands of equipment configurations that could potentially overwhelm the end-user without the aid of a knowledgeable GapVax dealer. For the most part, government agencies still feel that working directly with the dealer will ensure they're getting equipment that best suits their needs.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	A large portion of our government sales occurs through our dealer network. These dealers are independent business owners and offer varying degrees of training. The minimum training included with purchase is one day on-site. However, most dealers provide an additional day of classroom training. Sourcewell members needing phone support can call GapVax 24 hours a day. Calls received after standard business hours are answered by an answering service. The answering service will contact an "on-call" GapVax employee to help attend to any pressing customer needs. GapVax also offers in-depth factory training at a reasonable cost to the end-user. This training takes place our newly expanded training department at GapVax's Headquarters in Johnstown, PA. The dates vary year by year. Topics include the following: Operator Basic Maintenance Operator Basic Troubleshooting Mechanic Basic Maintenance Mechanic Basic Troubleshooting When necessary, this training can be provided at the end-user's location. Please see the file GAPVAX TRAINING ANNOUNCEMENT for information on our newly expanded training department.	*

40	Describe any technological advances that your proposed products or services offer.	GapVax's most advanced technological offering is based on the "less is more" concept. Today's agencies are constantly pushed to save water. Seeing this as the wave of the future, GapVax partnered with German-based manufacturer Wiedemann Enviro-Tec, the inventors of water recycling technology for sewer cleaning equipment, to bring the GapVax Recycle JetVac to North America. Our Recycle JetVac is the only sewer cleaning recycling truck on the market that does not use mechanical filter screens or disposable filter cartridges as part of the water cleaning system. Instead, by using Wiedemann's tried-and-true "sedimentation system" for recycling the collected water, operators can work without interruptions from filter cleaning or filter failure from grease, sand or clay. As a result, pipe cleaning that once took several hours and wasted countless gallons of water can now be accomplished fast and efficiently. New to the GapVax product line is our VHX hydro excavator. Much like our GapVax HV, the most significant difference of the VHX is its ability to haul payload over the road legally. For example, government agencies can now legally move 15,000 pounds of wet or dry excavation spoils in states that strictly adhere to federal bridge laws. This ultra-light solution, combined with onboard weight scale technology, allows the operator to achieve maximum legal payload, reduce inefficiency from transporting partial loads, and ensures over-the-road safety by eliminating dangerously overweight loads.	*
41	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	By following our corporate mission of "Being good stewards of the communities where we work, live, and play," our decision to utilize brownfield sites for our expansion plan was an easy one. According to the Johnstown Redevelopment Authority, "Cleaning up and reinvesting in brownfields increases the local tax base, facilitates job growth, utilizes existing infrastructure, takes development pressures off of undeveloped open land, and improves and protects the environment. Brownfield redevelopment is particularly critical in Johnstown because of the city's unique geography as a landlocked municipality. Adaptive reuse of Johnstown's limited available sites prevents urban sprawl and the destruction of one of Pennsylvania's biggest assets, its natural landscape." By one estimate, for every one acre of redeveloped brownfields, we save 4.5 acres of open space! Our capital expansion projects, one in 2017 and the other in 2020, reused turn-of-the-century steel mill buildings that were in disrepair, converting them into state-of-the-art manufacturing facilities encompassing 160,000 sq. ft. Several green initiatives, starting from the ground up, were considered when planning these projects. We designed our shop floors with radiant heat fed by high-efficiency 95% AFUE boilers that use significantly less energy than traditional methods. Radiant heat is also more efficient and requires less energy during winter, especially in manufacturing environments that utilize large overhead doors to reposition trucks. Any Pennsylvania trout fisherman will tell you the role that cool, clean water plays in the life cycle of our once-prolific State Fish, the native Brook trout. When choosing our roofing material, GapVax considered the impact of water runoff temperature and its harmful effect on the historic Stonycreek River that runs behind our facility. Using light-colored roofing material creates less heat; less heat means cooler water outflow from rainfall captured on our factory roofs. The Stonycreek, a once-damaged river that fell victim to decades of coal mining, steel making, and logging, is now making a comeback. In a report published by the Somerset Conservation District, the impact of public and private conservation initiatives are starting to pay off. "The comeback of water quality in the Stonycreek River watershed is one of Pennsylvania's greatest conservation success stories. The effort has taken nearly two decades, millions of dollars, and untold numbers of hours from professionals and volunteers alike to restore significant portions of the 486 square mile watershed. The public-private partnerships established to accomplish the task stand as a testimonial to innovation and determination in the broad field of resource conservation." Other efforts include a plant-wide use of energy-efficient LED lighting, a 4 million dollar investment in a high efficiency, state-of-the-art paint system designed to reduce VOC emissions, a computer-controlled paint mixing system that reduces waste by mixing precise quantities of paint, converting outdated cranes from inefficient DC power to highly efficient AC power, and a closed-loop water system designed to capture and reuse water in our QC test bays.	*
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	All GapVax products offered will be compliant with the EPA (Environmental Protection Agency) Tier 4 requirements and CARB (California Air Resource Board), including products offered on clean-burning CNG (compressed natural gas) as an alternative to diesel engines.	*
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	GapVax does not qualify as a WMBE, SBE, or veteran-owned business. However, most of our distributor/dealer partners are designated Small Businesses. Our support of Woman/Minority-owned business is evident in our partnership with Anna Johnson from AQUIP LLC. AQUIP was founded in October of 2018 and is the first and only known independently female-owned vacuum truck and environmental products dealership in the United States. You can learn more about AQUIP at https://www.aquipco.com/about Gary And Rose Poborsky founded GapVax Inc as an equal business partnership. Though the legal definition of Woman-Owned does not apply, Rose has played an active role in GapVax's success and will continue to guide our organization into the future. For more information on dealer AQUIP, please see the attached file GAPVAX MEET THE DEALER - AQUIP	*
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Our most unique attribute that will appeal to Sourcewell members is that our ownership structure is now and always has been a family-owned business. We are also proud to promote that GapVax employees have partial ownership of the company through our ESOP program. This program incentifies our employees to have a "customer-first" mentality while doing their jobs. Unlike most of our competition, GapVax is not owned and managed by an equity group or publicly traded company. This unique position allows us to change direction quickly based on our customer's needs. This flexibility, combined with our passionate pursuit of "Being good stewards of the communities where we work, live, and play," is how we've continued to grow in a highly competitive space. These beliefs may get overlooked at companies with absentee investors or a board of directors who have a "bottom line first" mentality when making decisions about customers and employees.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
45	Do your warranties cover all products, parts, and labor?	Yes, our warranty covers all the products we are proposing within the specified warranty period. Warranty coverage on GapVax products sold through our dealers includes parts and labor (or partial labor in some circumstances.) In addition, optional extended warranties are available to meet the needs of current and future Sourcewell members. For a sample of our warranty policy, please reference the attached file GAPVAX WARRANTY.	*
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	The standard municipal equipment warranty covers the equipment for one year. Optional extended warranties are available to meet the needs of current and future Sourcewell members. The limited warranty does not cover chassis components, defects due to misuse, abuse, and neglect, nor does it supersede the warranty of an original component manufacturer.	*
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Warranty on GapVax products sold through our dealers covers parts and labor or partial labor, depending on the claim. The labor and travel reimbursement varies from dealer to dealer.	*
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Certain areas of North America do not have dealer coverage. These areas function as factory-direct regions. In these regions, parts associated with warranty claims are covered, but labor is not. There are certain instances that GapVax will dispatch a factory technician to a customer's site. GapVax evaluates each instance on a case-by-case basis. For a complete list of dealers and service centers, please reference the attached file GAPVAX DEALER AND SERVICE MAP.	*
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	The standard municipal equipment warranty covers the equipment for one year. The limited warranty does not supersede the warranty of an original component manufacturer. Note: all items offered in response to this RFP will be covered by the warranty of GapVax Inc.	*
50	What are your proposed exchange and return programs and policies?	To date, no exchanges or returns have occurred on GapVax products ordered from a government entity. However, if the situation arises, GapVax Inc. will work with the customer and dealer on a case-by-case basis. We intend to provide the customer with the best-in-class value that is synonymous with GapVax products. In the event that a new and unused GapVax is shipped and delivered to a Sourcewell member and it is found that the unit does not meet the customer's intent, and the unit was quoted and ordered per the Sourcewell member's request or quote, GapVax Inc. may initiate up to a 30% restocking fee on the new and unused unit to cover additional transportation and costs associated with reselling the unit.	*
51	Describe any service contract options for the items included in your proposal.	GapVax dealers and service partners offer a variety of maintenance programs depending on the need of the Sourcewell member. Plans range from preventive maintenance contracts, full-service maintenance and repair contracts, or customer-specific service intervals based on the region of operation. Dealers and service partners provide pricing for these programs on a local level. Therefore, GapVax Inc. is not including service contract options with our proposal.	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
52	Describe any performance standards or guarantees that apply to your services	GapVax Inc is offering manufactured goods only. Therefore, no services are being quoted in this RFP, and service performance standards and guarantees do not apply.	*
53	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	GapVax Inc is offering manufactured goods only. Therefore, no services are being quoted in this RFP, and service performance standards and guarantees do not apply.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
54	Describe your payment terms and accepted payment methods?	GapVax Inc's payment terms are NET 30 with authorized municipal, government, or dealer purchase orders. We accept bank checks, ACH, and wire transfers.	*
55	Describe any leasing or financing options available for use by educational or governmental entities.	GapVax Inc. does not directly finance or lease equipment; we utilize third-party finance companies to assist our customers with their financing needs. When a finance need arises with a Sourcewell member, we try to partner with Sourcewell contract holders like NCL Government Capital.	*
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	The GapVax quote document is the beginning of the purchase process for a Sourcewell member. Document revision control is facilitated through the GapVax dealer portal, which is password protected for dealer-only access. The GapVax dealer portal ensures that the dealer presents the Sourcewell member with the most up-to-date quote version and avoids rejection due to an out-of-date document. To begin the quotation, the dealer selects the "Yes box" next to the question asking if the purchase occurs through Sourcewell. By selecting yes, the custom program populates the Sourcewell contract number on the cover page and automatically chooses the Sourcewell discounted price column, ensuring the Sourcewell member receives the preferred pricing promised. From there, the quotation process is relatively simple, and the Sourcewell member has a bonafide, binding, quote document in a matter of minutes. In addition, the opportunity for human error is significantly reduced because the custom-programmed quote document has unique identifiers alerting the GapVax Regional Sales Manager and accounting team to invoice and report all Sourcewell contract sales accurately. For a sample of our quote document, please reference the attached file GAPVAX QUOTE DOCUMENT.	*
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	GapVax Inc. currently does not accept the P-card procurement and payment process.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	The GapVax Inc. pricing model is ceiling based with Sourcewell members receiving a percentage discount off of MSRP for each product category. For a complete price list, please reference the attached file GAPVAX SOURCEWELL PRICE LIST.	*
59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	The percentage of discount for Sourcewell members is 2% off MSRP. In addition, GapVax dealers understand that the Sourcewell contract is ceiling price based and may offer additional discounts throughout the contract's life.	*
60	Describe any quantity or volume discounts or rebate programs that you offer.	GapVax dealers understand that the Sourcewell contract is ceiling price based and may offer additional discounts based on unit quantity.	*
61	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	GapVax will utilize open market pricing for the chassis portion of our equipment. The chassis is a sourced good that we will offer at Invoice + 3%. GapVax will also consider customization requests by Sourcewell members as open market or sourced goods negotiated between the GapVax dealer and Sourcewell member.	*
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Outside of the chassis cost (as identified in question #61 regarding sourced goods), the other cost not included in the price list is delivery. Factory freight to the Sourcewell member is known at quoting and will be listed on their quote. Government agency requirements vary significantly from one agency to the next, as do the costs associated with these requirements. As a result, GapVax dealers may be required to offer pre-delivery inspections, on-site training, extended warranties, and service and repair contracts, which will be priced to the Sourcewell member at the time of quoting.	*
63	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight costs from the factory to customers in the contiguous United States and adjoining Canadian provinces will be itemized on the quote and paid by the customer. GapVax may charge up to $4.00 per loaded mile to deliver the equipment. The dealer decides if the product will ship directly to the customer or the dealer's location. The dealer will be responsible for making contact with the customer to arrange final delivery and start-up training. Exceptions to this delivery fee are GapVax units built on truck chassis powered by CNG (compressed natural gas.) They require unique transportation methods and will be quoted at the time of the proposal.	*
64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	When deliveries are made to Alaska, Hawaii, Canadian territories, or offshore, the customer is responsible for the freight costs. GapVax Inc. and the customer will review these charges at the time of quoting. It is common for GapVax to work with the customer and utilize any specific delivery methods that work best for them.	*
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Other than the delivery methods mentioned in #63 and #64, if a unique delivery situation exists that is better overall for the Sourcewell member, GapVax will work closely with them to attain the best possible solution.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Pricing offered in response to this Sourcewell RFP is similar or is better than some pricing offered to other cooperative procurement organizations or state purchasing departments. In addition, our discount structure offered will allow for best value, more flexibility, and volume discount considerations provided through our dealers because of the ceiling-based pricing.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	GapVax will be paying Sourcewell directly for all administrative fees associated with this contract. Pricing and discounts will be loaded into the GapVax quote document as detailed in our response to question #56. This document is controlled on a password-protected website known as the GapVax Dealer Portal. Dealers are required to submit all orders using the quote document they download from the dealer portal. Submitted orders will be verified against the customer's PO and processed by the GapVax Regional Sales Manager to ensure consistency and process compliance. Opportunity for error is significantly reduced because the custom-programmed quote document includes unique identifiers that alert the GapVax Regional Sales Manager, the order management team, and the accounting team that the order is through the Sourcewell contract, which ultimately triggers quarterly reporting and remittance activity. For a sample of the quote document mentioned above, please reference the attached file GAPVAX QUOTE DOCUMENT	*
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	As with most businesses, GapVax projects its yearly sales forecast at the beginning of our fiscal year. This forecast includes a Government sales budget listed by month and quarter. The executive team reviews our sales budgets monthly, including sales through our cooperative purchasing contracts. A few examples of KPI's used to measure success are "quote to close ratio," "government sales budget vs. actual" and "Soucrewell sales budget vs. actual." We also review our dealers every year and evaluate them on their use of cooperative purchasing contracts.	*
69	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	If we are awarded a contract, GapVax will pay Sourcewell a 2% administrative fee for facilitating, managing, and promoting the Sourcewell Contract.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Unlike many cookie cutter-type manufacturers, GapVax Inc. is known as a customer-focused builder of industrial and municipal equipment. We pride ourselves in our ability to address a customer's needs and create a solution (that's often customized) to meet those needs. The following products were born from a passionate pursuit of building equipment "the way we'd want it" if we were the customer: The GapVax MC is a combination vacuum and sewer flushing machine designed to wash and remove debris from sewer drains. With a wide variety of sizes available, this is an ideal candidate for any size municipality, water and sewer district, or government agency that is cleaning storm drains, catch basins, and sewers. GapVax offers truck-mounted configuration available on a single-axle and a double-axle chassis. The single-axle gives you the choice of a 4-8 cubic yard debris body and a water tank capacity of 500-1,200 gallons. The Double Axle MC ranges from 8-13 cubic yards, and water tank sizes up to 2,000 gallons. In addition, our custom-configured units allow for various arrangements not currently available through our competition. GapVax VHE hydro excavators use non-destructive pressurized water combined with an industrial-strength vacuum to safely expose buried utilities or excavate near objects easily damaged by traditional mechanical digging. The operator directs the pressure stream to the ground to break up the soil, positions the vacuum hose at the excavation area, and conveys the loosened soil into the debris body through the vacuum hose. The hydro excavation process results in safe, fast, precise excavations that require less backfill and site restoration, and has less environmental impact than traditional excavation techniques. This system is ideal for any size municipality, water and sewer district, public or private utility, or contractor that needs to locate buried objects or safely excavate around underground utilities. The GapVax HV is a "next level" hydro excavator compared to the VHE. The HV series is a true wet and dry unit that offers high-pressure water and compressed air for excavating. The use of compressed air is becoming more common for unearthing buried utilities. Unlike water, compressed air does not increase the waste stream, and the excavated soil can be quickly backfilled into the same hole. However, unlike wet-only units, a very stringent filtration system is required to protect the truck's vacuum pump when vacuuming dry product. The HV uses cyclone and baghouse technology to provides ultimate vacuum pump protection. New to the GapVax product line is our VHX hydro excavator. Much like our GapVax HV, the most significant difference of the VHX is its ability to haul payload over the road legally. For example, government agencies can now legally move 15,000 pounds of wet or dry excavation spoils in states that strictly adhere to federal bridge laws. The GapVax GJET is a truck-mounted high-pressure water Jet designed to remove sand, dirt, grease, detergents, and materials typically found in sanitary and storm drain pipes. The GJET's single-engine design uses the chassis engine to power all functions. The hydraulically powered water pump pressurizes the onboard water supply and conveys the water into the sewer through a high-pressure hose. The hose is spooled in and out by a hydraulically powered hose reel mounted on the truck's front. The GJET's efficient design surpasses competitive units that utilize multiple engines by reducing weight, fuel costs, emissions, and maintenance costs. Our G7 is a trailer-mounted version of our GJET. It has a distinct non-cdl weight advantage over truck-mounted jetters, making it an ideal pipe cleaning solution for government agencies that struggle to find drivers with a commercial driver's license. Its compact design is an added benefit for tight, hard-to-reach areas. GapVax's most advanced technological offering is based on the "less is more" concept. Today's agencies are constantly pushed to save water. Seeing this as the wave of the future, GapVax partnered with German-based manufacturer Wiedemann Enviro-Tec, the inventors of water recycling technology for sewer cleaning equipment, to bring the GapVax Recycle JetVac to North America. Our Recycle JetVac is the only sewer cleaning recycling truck on the market that does not use mechanical filter screens or disposable filter cartridges as part of the water cleaning system. Instead, by using Wiedemann's tried-and-true "sedimentation system" for recycling the collected water, operators can work without interruptions from filter cleaning or filter failure from grease, sand or clay. As a result, pipe cleaning that once took several hours and wasted countless gallons of water, can now be accomplished fast and efficiently.	*
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	“RFP 101221 - Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies” accurately describes the products GapVax Inc. is offering. Therefore, no subcategories are needed for our submission.	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
72	Sewer vacuums or combination sewer cleaners	(•) Yes ( ) No	GapVax MC JetVac GapVax Recycle JetVac Please reference the attached file GAPVAX SOURCEWELL LITERATURE	*
73	Hydro or air excavation equipment	(•) Yes ( ) No	GapVax VHE, Hydro Excavation GapVax VHX, Hydro/Air Excavation GapVax HV, Hydro/Air Excavation Please reference the attached file GAPVAX SOURCEWELL LITERATURE	*
74	Jetters and rodders	(•) Yes ( ) No	GapVax GJET Jetter Truck GapVax G7 Jetter Trailer Please reference the attached file GAPVAX SOURCEWELL LITERATURE	*
75	Dewatering, mud, trash, and centrifugal pumps	( ) Yes (•) No	Not applicable to GapVax Inc. product offerings.	*
76	Pumps used in lift stations, sewage treatment, water treatment, or water collection facilities	( ) Yes (•) No	Not applicable to GapVax Inc. product offerings.	*
77	Accessories, supplies and replacement or wear parts related to the offerings above.	( ) Yes (•) No	Accessories, supplies and replacement or wear parts related to the offerings above will be supplied at the local level through GapVax dealers and service centers and are not included in this RFP.	

Table 15: Industry Specific Questions

Line Item	Question	Response *	
78	Describe any product or equipment features that improve operator safety.	Several improvements have been made to GapVax models that improve operator's safety. These items include: 1) Standard chassis requirements to include additional entry grab handles, wider entry steps, and a two-speed or viscous engine fan drive to reduce noise in the cab and at the front operator station. 2) MC Front hose reel operation to include remote hose reel in/out options, front reel power articulation upgrade, remote or cab controls for front reel articulation upgrade, new and improved autowinder mounting for increased ground clearance, and hose tracking, and a new digital footage counter with very accurate hose measurement 3) New vacuum pump mounting and noise reduction silencers, mid-ship gearbox mounting, and ergonomic controls. 4) More accessible operator daily checks with ground-level cyclone and filter cleanouts, ground-level remote lubrication manifolds, and options for auto lube systems for the vacuum module, chassis, or both. 5) Camera system options to include single to quad-camera packages and new mounting positions to reduce/eliminate blind spots. 6) Simplified systems engagement, disengagement, console layout, and operational features with the GapVax G2 logic control system. 7) Improved wireless control systems, including charging stations, spare transmitters, and failsafe interlocks. Also, the new wireless transmitter safety features include LED indicators, feedback displays, integrated remote body dump options, remote body wash-out options, and remote water flow/pressure control options. 8) Better HX Water systems to include new hydraulically driven packages, new mounting arrangements to enclose all moving parts and reduce hoses, reduce the number of operation valves, and the development of a new multi-flow HX water system that is integrated with the new wireless remote system. 9) LED lighting options to illuminate perimeter work areas, operation controls, dumping / clean out areas, and SAE or CA Title 13 compliant beacon lights, directional lights, and flashers. 10) Ergonomic storage boxes, changing over to swing forward doors where possible in place of fold-down doors. In addition, pump enclosures now have an option to upgrade to a roll-up style door to keep the open door out of the operator work area. 11) Enhanced connectivity of the electrical controls with improved sunlight, oil, and abrasion-resistant engineered cord sets and over-molded, weather-tight electrical connectors. 12) New and improved hydraulic hose, water hose, electrical cord, and control wire routing and clipping on the frame and body. Also, a new hydraulic hose and wire support has been developed for the rear-mounted loading boom. 13) Improved operator manuals by customizing each manual to the system controls of each exact unit. 14) Air-actuated MC body safety prop that is safely engaged and disengaged at a safe distance from an elevated collector body 15) Rear-mounted MC float shut-offs eliminating the operator's need to enter the tank	*
79	Describe any product or equipment innovations that increase uptime and operator productivity.	GapVax's most advanced technological offering is based on the "less is more" concept. Today's agencies are constantly pushed to save water. Seeing this as the wave of the future, GapVax partnered with German-based manufacturer Wiedemann Enviro-Tec, the inventors of water recycling technology for sewer cleaning equipment, to bring the GapVax Recycle JetVac to North America. Our Recycle JetVac is the only sewer cleaning recycling truck on the market that does not use mechanical filter screens or disposable filter cartridges as part of the water cleaning system. Instead, by using Wiedemann's tried-and-true "sedimentation system" for recycling the collected water, operators can work without interruptions from filter clogging or filter failure from grease, sand or clay. As a result, pipe cleaning that once took several hours and wasted countless gallons of water can now be accomplished fast and efficiently. New to the GapVax 2021 product line is our VHX hydro excavator. Much like our GapVax HV, the most significant difference of the VHX is its ability to haul payload over the road legally. For example, government agencies can now legally move 15,000 pounds of wet or dry excavation spoils in states that strictly adhere to federal bridge laws. This ultra-light solution, combined with onboard weight scale technology, allows the operator to achieve maximum legal payload, reduce inefficiency from transporting partial loads, and ensures over-the-road safety by eliminating dangerously overweight loads.	

Table 16: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. **NOTICE**: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification
N/A	N/A	N/A

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - GAPVAX SOURCEWELL PRICE 2022.xlsx - Tuesday October 12, 2021 12:51:15
- Financial Strength and Stability - GAPVAX FINANCIAL INFORMATION AND COOPERATIVE PURCHASING CONTRACT LIST.zip - Thursday October 07, 2021 12:37:04
- Marketing Plan/Samples - GAPVAX SOURCEWELL MARKETING.zip - Thursday October 07, 2021 17:31:10
- WMBE/MBE/SBE or Related Certificates - GAPVAX LITERATURE.zip - Tuesday October 12, 2021 14:02:44
- Warranty Information - GAPVAX WARRANTY.pdf - Thursday October 07, 2021 12:19:03
- Standard Transaction Document Samples - GAPVAX QUOTE DOCUMENT.pdf - Thursday October 07, 2021 12:19:45
- Upload Additional Document - GAPVAX DEALER AND SERVICE MAP -TRAINING.zip - Thursday October 07, 2021 17:31:50

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:

    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Gary Poborsky, President, GapVax Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_3_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Thu September 30 2021 03:29 PM	☑	2
Addendum_2_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Fri September 10 2021 02:40 PM	☑	2
Addendum_1_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Thu August 26 2021 05:40 PM	☑	1

DocuSign Envelope ID: ADC87573-C1A1-4AF0-BFAA-07E9011D9058

AMENDMENT #1
TO
CONTRACT #101221-GPV

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcewell** and **GapVax Inc.** (Supplier).

Sourcewell awarded a contract to Supplier to provide Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies, to Sourcewell and its Participating Entities, effective December 20, 2021, through November 29, 2025 (Contract).

NOW THEREFORE, the parties wish to amend the Contract as follows:

> Section 18. Insurance–Subsection A. Requirements– Item 5. Network Security and Privacy Liability Insurance, of the Contract, is modified to reduce the minimum limit requirements to $1,000,000 per occurrence and $1,000,000 annual aggregate.

Except as amended by this Amendment, the Contract remains in full force and effect.

Sourcewell

By: DocuSigned by: Jeremy Schwartz C0FD2A139D06489...
Jeremy Schwartz, Director of Operations/CPO

Date: 5/9/2023 | 6:51 PM CDT

Approved:

By: DocuSigned by: Chad Coauette 7E42B8F817A64CC...
Chad Coauette, Executive Director/CEO

Date: 5/9/2023 | 6:55 PM CDT

GapVax Inc.

By: DocuSigned by: Gary A. Poborsky 97DECE6A2796467...
Gary Poborsky

Title: President

Date: 5/9/2023 | 3:31 PM CDT

PLUMBERS DEPOT INC.

3921 W. 139th Street
Hawthorne, CA 90250

Quote

Date	Estimate #
12/5/2025	34606

Name / Address	Ship To
City of Palmdale Public Works 39110 3rd Street East Palmdale, CA 93550	City of Palmdale Richard Saenz 39110 3rd Street East Palmdale, CA 93550

Rep	Serial #
JAM	

Item	Description	Qty	Price	Total
MC-1510	Gap Vax MC Series Combination Jet/Vacuum Machine	1	839,660.75	839,660.75T
Disc-Sourcewell-...	Sourcewell Discount for GapVax Truck		-12,261.21	-12,261.21
FRT-001	Freight	1	12,000.00	12,000.00
	Sourcewell 101221-GPV			

Subtotal	$839,399.54
Sales Tax (11.25%)	$93,082.45
Total	$932,481.99

Signature and Na... _____

Fax #
(310)355-1711

SOURCEWELL CONTRACT NO. 101221-GPV

GapVax®

PREPARED BY

PLUMBER'S DEPOT, INC.

PREPARED FOR

Adam Dyer
City of Palmdale

QUOTE

GapVax®



QUOTE ID
25-2986

UPDATED:
9/11/2025

GapVax



2026 MC1510-3S4S COMBINATION JET/VAC

QUOTE ID: 25-2986

December 5, 2025

NOTE: THE GAPVAX MC UNIT MAY EXCEED FEDERAL BRIDGE ALLOWABLE WEIGHTS WHEN LOADED WITH WATER, OR DEBRIS, AND/OR BOTH WATER AND DEBRIS COMBINED. PLEASE CONSULT FACTORY.

	OPTION DESCRIPTION	NOTES	QTY
CHA001	**WESTERN STAR 47X-SF (6 X 4) - 470 HP - 66,000 LB. GVWR - AUTO**	MODEL YEAR 2026	1
STD	10 USABLE YARD DEBRIS TANK MADE OF 3/16" ASTM A-572 GRADE 50 EXTEN STEEL		STANDARD
STD	FULL-OPENING REAR TAILGATE		STANDARD
STD	STAINLESS STEEL TAILGATE SEALING ROD		STANDARD
STD	FOUR HYDRAULIC REAR DOOR LOCKS		STANDARD
STD	DUAL TAILGATE LIFT CYLINDERS		STANDARD
STD	FRONT MOUNTED HOIST CYLINDER, POWER UP AND DOWN, 55,000 LB CAPACITY		STANDARD
STD	THREE TIE-OFF ANCHORS ON TOP OF BODY		STANDARD
STD	FIVE YEAR WARRANTY ON DEBRIS TANK AGAINST RUST THROUGH, DISTORTION AND CRACKS		STANDARD
STD	THREE TIE-OFF ANCHORS ON TOP OF THE BODY 6' APART		STANDARD
A1C	STAINLESS DEBRIS BODY FLUSH OUT SYSTEM, **MOUNTED AT MID-LEVEL IN DEBRIS TANK**	INCLUDES LOW POINT DRAIN	1
A2A	DRAIN AT BOTTOM OF TAILGATE - 6" BRASS LEVER VALVE WITH 15' OF LAYFLAT HOSE	VALVE IS NOT 100% LEAK PROOF	1
A3-CS	FLOAT TYPE LIQUID LEVEL INDICATOR ON SIDE OF DEBRIS TANK		1
A5	TRASH PUMP - 3" RATED UP TO 450 GPM WITH LAY-FLAT HOSE AND CAM-LOC FITTINGS	NOT RECOMMENDED FOR CONTINUOUS USE	1
A11A	FILTER SCREEN FOR DRAIN VALVE (SHORT BOX)	REQUIRES A2	1
A17	UPGRADE TO STAINLESS STEEL DEBRIS TANK		1
A20	UPGRADE TO 1/4" DEBRIS TANK		1
A21	CURBSIDE LADDER TO PORT INSPECTION AREA		1
A18	PURGE VALVE AT GRAVITY DRAIN (1-1/4" BALL VALVE)		1
A22B	STAINLESS STEEL BOLT-ON TAILGATE SPLASH SHIELD		1
A34B	UPGRADE DEBRIS BODY BAFFLE TO STAINLESS STEEL	**SS DEBRIS BODY UPGRADE**	**REQUIRED**
A37A	UPGRADE BODY INLET CANNON TO HX STYLE WITH CLEANOUT		1
A39	LONG POLE HOLDER TO ACCOMMODATE (3) 12' CLAM DIGGERS		1
A44	PNEUMATIC TAILGATE PROP (IN ADDITION TO STANDARD TAILGATE PROP ROD)		1
STD	1500 GALLON WATER TANK MADE OF 3/16" 304 STAINLESS STEEL		STANDARD
STD	4" HIGH ANTI-SIPHON RING WITH (4) 2-1/2" HOLES		STANDARD
STD	WATER TANK LEVEL SIGHT TUBE ON CURBSIDE		STANDARD

STD	DRAIN VALVE AT BOTTOM OF WATER TANK		STANDARD
STD	3" FILL LINE WITH 2-1/2" FIRE HOSE CONNECTION CURBSIDE		STANDARD
STD	3" WATER STRAINER WITH STAINLESS STEEL SCREEN ON WATER TANK FILL LINE		STANDARD
STD	3" SUPPLY LINE TO WATER PUMP MOUNTED AT REAR HINGE PIN		STANDARD
STD	FIVE YEAR WARRANTY ON WATER TANK AGAINST RUST THROUGH, DISTORTION AND CRACKS		STANDARD
B3	TANK INTER-CONNECT WITH DEBRIS TANK	REQUIRES A2, B10	1
B10	ADDITIONAL 3" FILTER BETWEEN WATER TANK AND PUMP (3" Y-STRAINER)		1
B23A	GALVANIZED BAFFLES IN THE WATER TANK		1
B30	UPGRADE TO BUTTERFLY VALVE IN 3" SUPPLY LINE		STANDARD
STD	TRUE 8" DIAMETER VACUUM SYSTEM		STANDARD
STD	VACUUM PUMP DRIVEN VIA MID-SHIP MOUNTED SPLIT SHAFT TRANSFER CASE GEARBOX	(PTO)	STANDARD
STD	NOISE & VIBRATION DAMPENING MOUNTS ON VACUUM PUMP AND TRANSFER CASE		STANDARD
STD	NOISE ATTENUATED VACUUM PUMP DISCHARGE SILENCER WITH RAIN CAP AND DRAIN		STANDARD
STD	24" CENTRIFUGAL CYCLONE SEPARATOR WITH 20" CHAMBER		STANDARD
STD	DUAL STAINLESS STEEL SHUTOFF FLOAT BALLS MOUNTED AT THE REAR OF DEBRIS TANK		STANDARD
STD	STAINLESS STEEL VEE-WIRE SAFETY SCREEN		STANDARD
STD	6" SAFETY VACUUM RELIEF		STANDARD
STD	PANIC SWITCH FUNCTION FOR VACUUM		STANDARD
C17	UPGRADE TO HIBON 840 VACUUM PUMP 3,850 CFM AND 27" HG	**REQUIRES OPTIONS A20 AND C18**	1
C2	6" MANUAL VACUUM RELIEF VALVE	RECOMMENDED WITH PUMP-OFF SYSTEM	1
C18	VULKAN VIBRATION DAMPENING BLOWER COUPLER	**REQUIRED FOR OPTION C17**	**REQUIRED**
STD	TRI-PLEX WATER PUMP SYSTEM		STANDARD
STD	AIR PURGE SYSTEM FOR PRIMARY CIRCUIT		STANDARD
STD	LOW POINT DRAIN VALVES ON WATER LINES		STANDARD
D4	MULTIFLOW CONTROL AND SAFETY REGULATOR VALVE (MSUV)		1
STD	WASHDOWN CIRCUIT WITH 50' X 1/2" HOSE, QUICK CONNECT, AND WASHDOWN HAND GUN	**50-FT HOSE REEL**	STANDARD
STD	WASHDOWN CIRCUIT(S) WILL INCLUDE A SAFETY FLOW RESTRICTOR (1/4" HOSE)		STANDARD
D7A	HOSE REEL FOR STANDARD WASHDOWN CIRCUIT, 50' X 1/2"		1
D3B	GENERAL MKS "2" SERIES WATER PUMP RATED AT 80 GPM @ 2500 PSI	(P/N: PUM022755)	1
D-GPVC	VIBRATION DAMPENING COUPLER - WATER PUMP		**REQUIRED**
D21	WATER RECIRCULATION VIA AUTOMATIC TRANSMISSION (INCLUDES WASHDOWN, ADDITIONAL CIRCUITS, AND LATERAL REEL)	**JETTER SYSTEM ONLY**	1
STD	8" FRONT MOUNTED TELESCOPING BOOM WITH 26' REACH AND 180 DEG. ROTATION		STANDARD
STD	180 DEGREE POWER ROTATION VIA WORM DRIVE		STANDARD
STD	DUAL 4" LIFT CYLINDERS		STANDARD
STD	CAB PROTECTION RACK		STANDARD

E6	REMOTE LUBE FOR BOOM LIFT AND ROTATION		1
STD	FRONT FRAME MOUNTED HOSE REEL WITH 180 DEGREE ARTICULATION		STANDARD
STD	HOSE REEL RATED FOR 800' OF HOSE AND 3,000 PSI		STANDARD
STD	EXTERIOR HOSE EXPANSION RIBS		STANDARD
F1C	DIGITAL FOOTAGE COUNTER - SHAFT-MOUNTED		1
F6	UPGRADE FRONT HOSE REEL TO POWER ARTICULATE VIA HYDRAULICS		1
F11	AUTOMATIC HOSE LEVEL WINDER (INCLUDES "J-HOOK" STLYE HOSE GUIDE)		1
STD	CAB-MOUNTED CONTROLS FOR BLOWER AND HYDRAULICS		STANDARD
STD	CONTROL PANEL MOUNTED AT FRONT HOSE REEL WITH WATER PUMP CONTROLS		STANDARD
STD	OPERATOR CONTROL PANEL INCLUDES GAUGES FOR ENGINE, HYDRAULICS, VACUUM, AND WATER PUMP		STANDARD
STD	PANIC SWITCH TO RELIEVE WATER PRESSURE AND VACUUM ON FRONT PANEL AND CURB SIDE OF UNIT		STANDARD
G2E	**G2E** CONTROL SYSTEM WITH 7" DISPLAY MODULE INCLUDES:		1
G2E-CAB	CAB MOUNTED DISPLAY MODULE FOR G2E SYSTEM ENGAGEMENTS AND CONTROLS	***G2E CAB DISPLAY***	1
	LOW WATER SHUTDOWN PROTECTION		1
	HIGH WATER TEMPERATURE SHUTDOWN PROTECTION		1
	ENGINE OVERSPEED PROTECTION		1
	ON-SCREEN DIAGNOSTICS FOR WATER, PTO AND ENGINE LEVELS		1
	TEMPERATURE AND PRESSURE LEVELS FOR VACUUM, WATER, HYDRAULICS		1
	PROVISION FOR INCLUDING DIGITAL FOOTAGE COUNTER ON SCREEN	F1C NOT INCLUDED	1
	E-STOP FOR WATER VACUUM AND HYDRAULICS		1
	TRANSMISSION CONTROL FOR SHIFTING OUTSIDE OF THE CAB		1
	WIRELESS CONTROL SYSTEM	***OPTION G2E INCLUDES THIS WIRELESS SYSTEM***	1
	HOSE SPOOL IN/OUT WITH SPEED CONTROL		1
	FRONT HOSE REEL WATER ON/OFF, PRESSURE ON/OFF		1
G4A	HIGH DEBRIS LEVEL LIGHT & ALARM WIRED TO VACUUM RELIEF	REQUIRES A3	1
STD	TRUCK-LITE LED RUNNING (MARKER) LIGHTS		STANDARD
STD	LED STOP/TAIL/TURN LIGHT WITH POLISHED STAINLESS STEEL BOXES		STANDARD
H5C	(2) BOOM WORK LIGHTS - HIGH INTENSITY HELLA PB1500 LED WORK LIGHTS (PN: LHT022406)	POWER BEAM / SPOT LIGHT (RATED 1300 LUMEN EACH)	1
H6B	(2) REAR WORK LIGHTS - HELLA LED WORK LIGHTS (PN: LHT022429)		1
H7BA	(2) SIDE WORK LIGHTS - HELLA LED WORK LIGHTS (PN: LHT022429) (1 PER SIDE)		1
H15C	WHELEN ION SUPER LED FLASHERS - 8 LIGHT HEADS		1
	2 ON EACH SIDE FRONT @ 90 DEGREES, 2 ON EACH SIDE REAR		1
H33	REAR ARROW LIGHT - LOW PROFILE LED (CA **TITLE-13** COMPLIANT) TRAFFIC ADVISOR	(LHT022544, CODE 3 TORUS NARROWSTIK OR EQUAL)	1
H39B	TWO HIGH INTENSITY LED WORK LIGHTS (HELLA PB1500) ON FRONT HOSE REEL TO SHINE INTO MANHOLE		1
STD	25' FIRE HOSE BASKET		STANDARD

I22	UPGRADE TUBE TRAYS TO STAINLESS STEEL		1
I7B-CS	36" TOOL BOX - ALUMINUM, 36" WIDE X 24" TALL X 24" DEEP, MOUNTED ON THE CURBSIDE		2
I14	TRAFFIC CONE HOLDER ON DRIVER'S SIDE		1
I16A	WHEEL CHOCK HOLDER (PER SIDE) - DRIVER'S SIDE		1
I16B	WHEEL CHOCK HOLDER (PER SIDE) - CURBSIDE		1
STD	DOT LIGHTING / FENDERS / MUD FLAPS / TAILGATE SAFETY PROP, ICC LIGHTS		STANDARD
STD	REMOTE ACTUATED BODY SAFETY PROP		STANDARD
STD	70 GALLONS AW-46 HYDRAULIC OIL, LEVEL/TEMPERATURE GAUGE, SHUTOFF ON SUCTION		STANDARD
STD	REAR BUMPER, TRIANGLE KIT, FIRE EXTINGUISHER, BACKUP ALARM		STANDARD
STD	ALLISON 10-BOLT PTO UPGRADE		STANDARD
J000	MID-SHIP MOUNTED (SPLIT-SHAFT) TRANSFER CASE WITH TOP DISCONNECT		1
J0B	FRONT BUMPER - CALIFORNA FRONT BUMPER		1
J3	TOW HOOKS FRONT		1
J4B	TOW HOOKS REAR - FRAME MOUNTED		1
J12-SS	STAINLESS STEEL METAL MUD FLAPS IN FRONT OF REAR TIRES	**SS MUD FLAP UPGRADE**	1
STD	PAINTED WITH PPG URETHANE PAINT		STANDARD
STD	PAINT BODY WHITE		STANDARD
STD	PAINT FRAME AND PARTS BLACK		STANDARD
STD	PAINT HOSE REEL AND BOOM BLACK		STANDARD
STD	FLEET FINISH		STANDARD
K6	CONSPICUITY REFLECTIVE TAPE		1
STD	25 FEET OF VACUUM TUBING (5) AND CLAMPS		STANDARD
STD	TIGER TAIL HOSE GUIDE		STANDARD
STD	TWO SEWER CLEANING NOZZLES		STANDARD
M3	FILL HOSE 25' X 2 1/2"		1
M5C	LEADER HOSE 25' X 1"		1
M9H	1" PIRANHA SEWER HOSE - 3,000 PSI X 800 FT PLASTIC (BLUE) (PN: CAT022382)		1
M12	MANHOLE LIFTING HOOK		1
M13	HYDRANT WRENCH		1
M29B	TWO CAMERA - BACK-UP CAMERA SYSTEM WITH 7" COLOR MONITOR (RV-505A), INCLUDES DVR-916 REAR AND DVR-921 FRONT CAMERA		1

GapVax



PRICING SUMMARY

PRICE OF BASE UNIT WITH OPTIONS:		$	839,660.75
SOURCWELL DISCOUNT:		$	12,261.21
DELIVERY: ($1,000.00 MINIMUM)	**@ $4.00 PER MILE**	$	12,000.00
ESTIMATED SUBTOTAL:		$	839,399.53
SALES TAX:		$	93,082.45
TOTAL PRICE (PER UNIT):		$	932,481.98

ALL ORDERS ARE SUBJECT TO CURRENT PRICES IN EFFECT AT THE TIME OF ORDER ACKNOWLEDGMENT. PRICES AND SPECIFICATIONS ARE SUBJECT TO CHANGE WITHOUT NOTICE. PRICING DISCLAIMER: WHILE WE MAKE EVERY EFFORT TO MAINTAIN AND PRESERVE PRICING ACCURACY, ALL COST INCREASES INCURRED AFTER ORDER ACKNOWLEDGMENT FOR MAJOR COMPONENTS AND GOVERNMENT MANDATED REQUIREMENTS, TARIFFS, AND RAW MATERIAL SURCHARGES WILL BE PASSED THROUGH AND ADDED TO CUSTOMER INVOICES WITH OR WITHOUT NOTICE. ALTHOUGH THE INFORMATION ON THIS QUOTATION IS PRESENTED IN GOOD FAITH AND BELIEVED TO BE CORRECT AT THE TIME OF PRINTING, WE MAKE NO REPRESENTATIONS OR WARRANTIES AS TO THE COMPLETENESS OR ACCURACY OF THIS INFORMATION. WE RESERVE THE RIGHT TO CHANGE, DELETE, OR OTHERWISE MODIFY THE PRICING INFORMATION WHICH IS REPRESENTED HEREIN WITHOUT ANY PRIOR NOTICE. WE CAREFULLY CHECK PRICING SPECIFICATIONS, BUT OCCASIONALLY ERRORS CAN OCCUR, THEREFORE WE RESERVE THE RIGHT TO CHANGE SUCH PRICES WITHOUT NOTICE. WE DISCLAIM ALL LIABILITY FOR ANY ERRORS OR OMISSIONS IN THE MATERIALS. IN NO EVENT WILL WE BE RESPONSIBLE FOR ANY DAMAGES OF ANY NATURE WHATSOEVER FROM THE RELIANCE UPON INFORMATION FROM THESE MATERIALS. PLEASE CHECK YOUR ORDER TO CONFIRM YOUR PRICING INFORMATION

TERMS: 15% DOWN PAYMENT BALANCE DUE UPON COMPLETION. IN THE EVENT OF THE PURCHASERS DEFAULT AND THE TERMINATION OF THIS SALES PROPOSAL AGREEMENT PRIOR TO START OF PRODUCTION, 25% OF THE DOWN PAYMENT SHALL BE FORFEITED AND APPLIED TO GAPVAX, INC. AS PART OF ITS DAMAGES. ONCE PRODUCTION HAS COMMENCED ON THIS SALES PROPOSAL AGREEMENT, IN THE EVENT OF THE PURCHASERS CANCELLING THE SALES PROPOSAL AGREEMENT, OR FAILING TO ACCEPT DELIVERY, OR FAILING TO COMPLETE THE SALES PROPOSAL AGREEMENT, THE ENTIRE DEPOSIT SHALL BE FORFEITED TO GAPVAX, INC. BUT SUCH FORFEITURE SHALL NOT PREJUDICE ANY OTHER REMEDY WHICH GAPVAX, INC. MAY HAVE FOR BREACH OF ANY OF THE SALES PROPOSAL AGREEMENT. IN THE EVENT OF A COMPLETED UNIT NOT BEING FUNDED IN A PROMPT AND TIMELY MANNER, AN ADDITIONAL FEE WILL OCCUR TO COVER THE ADDITIONAL FLOOR PLAN EXPENSE. FEDERAL EXCISE TAX AND DELIVERY ARE LISTED. STATE SALES TAX IS NOT INCLUDED. STATE SALES TAX AND VEHICLE REGISTRATION IS THE RESPONSIBILITY OF THE PURCHASER. EXCLUDES ALL OTHER APPLICABLE TAXES, DUTIES, TARIFFS, BROKERAGE, OR DOCUMENTATION FEES. DELIVERY, IF COORDINATED BY GAPVAX, IS $4.00 PER MILE, $1,000.00 MINIMUM.

DELIVERY TERMS: TERMS OF DELIVERY SHALL BE F.O.B. SHIPPING POINT, JOHNSTOWN, PENNSYLVANIA, U.S.A. THIS PROPOSAL WILL REMAIN IN EFFECT FOR 30 DAYS, UNLESS CHANGED IN THE INTERIM UPON WRITTEN NOTICE FROM THE COMPANY. PLEASE RETURN ONE SIGNED COPY OF THIS PROPOSAL, AND ANY FUTURE CORRESPONDENCE TO: GAPVAX, INCORPORATED, 575 CENTRAL AVE., JOHNSTOWN, PA 15902. BY SIGNING THIS PROPOSAL, PURCHASER THEREBY EXPRESSES ACCEPTANCE OF EACH AND EVERY TERM AND CONDITION SET FORTH HEREIN. ANY PURCHASE ORDER OR ACKNOWLEDGMENT OFFERING TERMS INCONSISTENT WITH THE TERMS AND CONDITIONS HEREOF SHALL HAVE NO BINDING EFFECT WHATSOEVER ON GAPVAX INCORPORATED (THE "COMPANY") OR THE TERMS AND CONDITIONS HEREOF. THIS DOCUMENT AND THE OTHER DOCUMENTS SPECIFICALLY REFERRED TO AS BEING A PART HEREOF, CONSTITUTE THE ENTIRE CONTRACT ON THE SUBJECT MATTER, AND SHALL NOT BE MODIFIED EXCEPT IN WRITING SIGNED BY BOTH PARTIES. ASSIGNMENT MAY BE MADE ONLY WITH WRITTEN CONSENT OF THE OTHER PARTY.

SIGNATURE DATE

Please return a signed copy to betty@gapvax.com

Chassis and Demo Units are SUBJECT TO PRIOR SALE, a 15% deposit is required with signed proposal

QUOTE ID
25-2986

LAST UPDATED:
9/11/2025

GapVax Incorporated
Terms and Conditions of Sale

1. ORDERS. All orders are subject to acceptance by an officer of GapVax Inc. Orders for products not regularly carried in stock or requiring special engineering or manufacture are in every case subject to approval by an officer of GapVax.

2. PERFORMANCE. GapVax Inc. shall not be liable for failure to complete the contract in accordance with its terms if failure is due to wars, strikes, fires, floods, accidents, delays in transportation or other causes beyond its reasonable control.

3. EXPERIMENTAL WORK. Work performed at customer's request such as sketches, drawings, design, testing, fabrication and materials shall be charged at current rates.

4. SKETCHES, ENGINEERING DRAWINGS, MODELS and all preparatory work created or furnished by GapVax Inc. shall remain its exclusive property; and no use of same shall be made, nor may ideas obtained therefrom be used, except with the consent of and on terms acceptable to GapVax Inc.

5. CANCELLATION. Orders regularly entered cannot be canceled except upon terms that will compensate GapVax Inc. for any loss or damage sustained.

6. SHIPMENT. All proposals are based on continuous and uninterrupted delivery of the order upon completion unless specifications distinctly state otherwise. In the event that an agreement is reached for GapVax Inc. to store completed items, they will be immediately invoiced to the customer and become due and payable. Storage shall be at the risk of the customer and GapVax Inc. shall be liable only for ordinary care of the property.

7. CUSTOMER'S PROPERTY. GapVax Inc. shall charge the customer at current rates, for handling and storing customer's property (e.g., truck chassis) held for more than thirty (30) days after notification of availability for shipment. All customer's property, or third party's property, that is stored by GapVax Inc. is at the customer's or other party's risk. GapVax is not liable for any loss or damage thereto caused by fire, water, corrosion, theft, negligence, or any cause beyond its reasonable control.

8. PRICES. All orders are subject to current prices in effect at the time of order acknowledgment. Prices and Specifications are Subject to Change Without Notice. PRICING DISCLAIMER: While we make every effort to maintain and preserve pricing accuracy, prices are subject to change without notice. Although the information on this quotation is presented in good faith and believed to be correct at the time of printing, we make no representations or warranties as to the completeness or accuracy of this information. We reserve the right to change, delete, or otherwise modify the pricing information which is represented herein without any prior notice. We carefully check pricing specifications, but occasionally errors can occur, therefore we reserve the right to change such prices without notice. We disclaim all liability for any errors or omissions in the materials. In no event will we be responsible for any damages of any nature whatsoever from the reliance upon information from these materials. Please check your order to confirm your pricing information.

9. F.O.B. POINT. Unless otherwise stated, all prices listed are F.O.B. point of manufacture.

10. TAXES. Unless specifically stated, prices listed do not include Federal, State, City or other excise occupation, sales, use or similar taxes which are extra and are to be added at rates in effect at time of shipment. If federal Excise Taxes are included or listed on the reverse side of this paper, they are stated at the rates and regulations in effect at the time this order is written and are subject to revision in accordance with rates and regulations in effect at time of shipment.

11. PRODUCT IMPROVEMENT. GapVax Inc. reserves the right to change manufacturing specifications and procedures without incurring any responsibility for modifying previously shipped products.

12. MOUNTING PRICES. Mounting prices assumes normal factory installation on a truck chassis suitable for the unit purchased. Relocation of batteries, gas tanks, mufflers, air tanks, etc. will be an additional charge, billed at the standard factory labor rate.

13. WARRANTY. GapVax Inc. warrants its products to be free from defects in material and workmanship, subject to the limitations and conditions set forth in its current published warranty but makes no warranty of merchantability or fitness for any particular purpose. GapVax Inc. does not assume liability for any loss of product, time or any direct, indirect, or consequential damage, losses or delay or any nature whatsoever. No warranty, express or implied, is made or authorized to be made and no obligation is assumed or authorized to be assumed with respect to products of GapVax Inc. other than that set forth in the current, published warranty. It is to be understood that the acceptance this order is expressly conditioned upon your acceptance of GapVax Inc. standard written warranty for the products sold hereunder GapVax Inc. hereby disclaims any responsibility or liability for any consequential losses delays or downtime resulting from orders hereunder the use of its products. GapVax does not and will not warranty any tank coating or tank lining. PTO damage is not covered when the PTO protection system or low water shut down system is not selected / installed / and operational. GapVax does not and will not warranty any water system component(s) that show any sign or indication of ice or freeze damage.

14. This agreement shall be construed according to the laws of the State of Pennsylvania. Our failure at any time to exercise any right we may have under the agreement shall not constitute a waiver thereof nor prejudice our right to enforce same thereafter.

15. This order, including the above terms and conditions contains the complete and final agreement between the parties hereto and no other agreement in any way modifying any of said terms and conditions will be binding on us unless in writing and agreed to by authorized representative of this company.

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MASTER AGREEMENT #081325
CATEGORY: Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories
SUPPLIER: 72 Hour LLC, dba National Auto Fleet Group

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and 72 Hour LLC, dba National Auto Fleet Group, 490 Auto Center Drive, Watsonville, CA 95076 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

Article 1:
General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for

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ensuring sales are with Participating Entities.

5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on November 13, 2029, unless it is cancelled or extended as defined in this Agreement.

   a. **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b. **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP # 081325 to Participating Entities. In Scope solutions include:

   a. Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks:

      i. Vehicles of the following types and classifications:
         (1) Automobiles: mini, subcompact, compact, coupe, sedan, and full size;
         (2) Sport Utility Vehicles: cross-over, light duty, and heavy duty;
         (3) Vans: passenger and cargo; and
         (4) Light Trucks: light duty, half-ton, three-quarter ton, and one ton.
      ii. Vehicles of the types and classifications in subsections 7 a. i. (1)-(4). above with upfitting designed for:
         (1) Public safety applications;
         (2) ADA and paratransit applications;
         (3) Service bodies and utility bed for light trucks; and
         (4) Equipment, lighting, technology, accessories, safety products, and upfitting services directly related to turnkey solutions for subsections 7 a. ii. (1)-(3).
      iii. A wide range of vehicles by seating or cargo configurations, drive train options, trim levels, and optional equipment offerings.
      iv. Proposers may include related equipment, accessories, supplies, parts, and services to the extent that the solutions are directly related to turnkey solutions for subsections 7 a. i. and 7 a. ii. above.

   Proposers may include related equipment, accessories, and services to the extent that these solutions are ancillary or complementary to the equipment, products, or services being proposed.

8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

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9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

12) **Open Market.** Supplier's open market pricing process is included within its Proposal.

13) Supplier Representations:

i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

15) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or

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conditions. Within this Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.

iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies, materials, or articles ordinarily available on the open market, or

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contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further

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certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.

xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

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xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

Article 2:
Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

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A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
    - Maintenance and management of this Agreement;
    - Timely response to all Sourcewell and Participating Entity inquiries; and
    - Participation in reviews with Sourcewell.

    Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

    The Report must contain the following fields:
    - Participating Entity Name (e.g., City of Staples Highway Department);
    - Participating Entity Physical Street Address;
    - Participating Entity City;
    - Participating Entity State/Province;
    - Participating Entity Zip/Postal Code;
    - Sourcewell Participating Entity Account Number;
    - Transaction Description;
    - Transaction Purchased Price;
    - Sourcewell Administrative Fee Applied; and
    - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

    If collected by Supplier, the Report may include the following fields as available:
    - Participating Entity Contact Name;
    - Participating Entity Contact Email Address;
    - Participating Entity Contact Telephone Number;

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7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.
12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

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15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
    a) **During the term of this Agreement:**
        i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

        ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

    b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

    c) **Use; Quality Control.**
        i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

        ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under

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this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

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c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

Article 3:
Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms

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of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

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Sourcewell

Signed by:
Jeremy Schwartz
C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 11/12/2025 | 12:32 PM CST

72 Hour LLC, dba National Auto Fleet Group

Signed by:
FACBB5730C1E467...

By: _____

Jesse Cooper

Title: Fleet Manager

Date: 11/12/2025 | 11:01 AM CST

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RFP 081325 - Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories

Vendor Details

Company Name:	72 HOUR LLC
Does your company conduct business under any other name? If yes, please state:	National Auto Fleet Group
Address:	490 Auto Center Drive Watsonville, CA 95076
Contact:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Phone:	951-440-0585
Fax:	831-840-8497
HST#:	263297677

Submission Details

Created On:	Friday August 01, 2025 12:01:47
Submitted On:	Sunday August 10, 2025 16:56:26
Submitted By:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Transaction #:	31d3edf8-96d1-4de1-b38c-173d68dcae06
Submitter's IP Address:	147.243.244.170

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer’s corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	72 Hour LLC DBA: National Auto Fleet Group By: Jesse Cooper	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Yes	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	72 Hour LLC has numerous subsidiaries and DBA's including but not limited to: National Auto Fleet Group Chevrolet of Watsonville Watsonville Ford (WCAF LLC) Watsonville CDJR (WCDJR, LLC) Watsonville Fleet Group Clewiston Motor Company, inc Alan Jay Automotive Inc Alan Jay Ford Alan Jay CDJR Alan Jay Chrysler Jeep Inc Alan Jay Buick Alan Jay outlet Alan Jay Lincoln Alan Jay Ford Alan Jay Nissan Alan Jay Toyota	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Duns#: 023680653 Unique Entity ID: Y1FHD2Z1ZDY5 CAGE/NCAGE: 7ZXM2	*
5	Provide your NAICS code applicable to Solutions proposed.	441110 (New Car Dealers) 532112 (Passenger Car Leasing)	
6	Proposer Physical Address:	490 Auto Center Drive Watsonville, CA 95076	*
7	Proposer website address (or addresses):	www.NationalAutoFleetGroup.com	*
8	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com	*
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Jesse Cooper Fleet Manager 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com 855-289-6572	*

10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Melvin Cooper President 490 Auto Center Drive Watsonville, CA 95076 831-722-4122	*

Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

Line Item	Question	Response *	
11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	National Auto Fleet Group was founded in 2010 as a new division of 72 Hour LLC, born from a single dealership in Southern California with a bold vision for streamlined fleet solutions. Since then, we've expanded our reach to include a growing network of dealerships both within and beyond California, allowing us to serve public agencies and government entities with greater efficiency and scale. From day one, our company has embraced a people-first mindset by hiring from within, investing in long-term careers, and building a culture rooted in loyalty and growth. Many of our original Fleet Managers are still with us today, a reflection of our commitment to strong internal leadership and lasting relationships. As the automotive landscape has evolved, so have we by adapting to emerging technologies, sustainability trends, and industry innovations. And yet, our core values remain unchanged: integrity, service, and a deep responsibility to the members we serve. We live by our promise to deliver the RIGHT vehicle, at the RIGHT time, to the RIGHT place, at the RIGHT price. Proudly family-owned and operated, National Auto Fleet Group carries forward generations of automotive experience with a forward-looking approach. With future generations already preparing to carry the torch, we remain focused on delivering unmatched value and service for decades to come.	*
12	What are your company's expectations in the event of an award?	If awarded, this would mark our sixth Sourcewell contract, which is an achievement we're incredibly proud of. We're fully prepared to execute with the same precision, care, and commitment that has defined our previous partnerships with Sourcewell. Our expectations are simple: to continue delivering exceptional customer service, to raise the bar on satisfaction, and to deepen our value to your members. We plan to leverage this award to launch new growth strategies and expand the reach of our offerings to even more agencies across the country. As part of that growth, we're excited to introduce our Partner Program, detailed in the "Marketing Plan for NAFG 081325" attachment. This next-generation tool empowers members to choose preferred upfitters, creating a seamless quoting and service experience through National Auto Fleet Group. We believe there's immense value in building these flexible, member-driven partnerships and we're committed to providing turnkey solutions that are not just efficient, but genuinely satisfying from start to finish.	*
13	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.	To demonstrate National Auto Fleet Group's financial strength and stability we've uploaded current bank commitment letters under the Financial Strength section of the online application. We maintain a direct line of credit of $85,000,000, actively utilized to support our current and previous Sourcewell contracts. This line can be extended as needed to meet the evolving demands of Sourcewell members. To further reinforce our market position, we've included a summary of awarded government contracts that, collectively, represent hundreds of millions of dollars in vehicle and equipment deliveries under our existing Sourcewell agreement. In addition, we've provided letters of commitment from several of our nationally recognized upfitting partners, including The Knapheide Manufacturing Company, as well as regional leaders such as Phenix Truck Body in Southern California. These suppliers serve as trusted partners, offering localized support to help us fulfill orders efficiently and with precision. Lastly, we've attached supporting documentation to show the consistent growth we've achieved since receiving our first Sourcewell contract in 2012. We hope these materials clearly demonstrate our long-term commitment to financial integrity, operational excellence, and building trusted relationships with both our partner upfitters and the members we serve.	*
14	What is your US market share for the Solutions that you are proposing?	Across the brands and OEMs we represent, our estimated U.S. market share for the proposed Solutions falls between 60% and 75%. This strong presence reflects our deep partnerships, longstanding industry relationships, and consistent ability to deliver tailored fleet solutions nationwide.	*

15	What is your Canadian market share for the Solutions that you are proposing?	While it is difficult to precisely quantify Canadian market share for the brands and OEMs we represent, we estimate it aligns closely with our U.S. share, which is approximately 60% to 75%. This estimate reflects the consistent performance and availability of our represented brands across both markets.
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	None
17	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b). a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	National Auto Fleet Group is best described as option 'A' - a distributor/dealer/reseller and authorized dealer partner for over 17 OEM manufacturers. Our network includes major brands such as Ford Motor Company, Chevrolet, RAM, GMC, Buick, Chrysler, Dodge, Jeep, Toyota, Nissan, KIA, BMW, Honda, Cadillac, and Volkswagen. All orders are placed through franchised dealerships and titled directly to the purchasing member, ensuring compliance with all regulatory and manufacturer requirements. Supporting documentation, franchise agreements and seller's permits are authorization by the OEM's, including certifications, DMV authorizations, and factory licenses, can be found in the “Related Certification” section of this RFP submission. Please note: We do not offer used equipment under this contract.
18	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Required licenses include a Dealer’s License, a Franchise issued by the Manufacture, a Department of Motor Vehicles License, as well as a Reseller’s permit license. All which NAFG and Dealer Partner’s hold. Please review our attachment documents in section “Related Certification” for licenses that we either solely own or are jointly owned by our partner dealers that pertain to this RFP. A list of all our licenses are below, some of which may not pertain to class 1-3 but to class 4-8. Some of our Licenses are outlined here but not limited to: CA Certificate of Good Standing 200824810190 State of Florida License Certificates: VF/1000974/4 VF/1000950/1 VF/1046516/1 VF/1024619/2 VF/1024619/1 VF/1018615/1 VF/1021891/1 VF/1000974/3 VF/1105916/1 VF/1020705/1 VF/1000969/1 CA State Seller’s Permit 101-135239 CA State Seller’s Permit 245364864-00001 Department of Motor Vehicle, Vehicle Dealer/ License Number 97772 Department of Motor Vehicle, Vehicle Dealer License Number 97771 Department of Motor Vehicle, Vehicle Dealer License Number 43609 Bureau of Automotive repair Registration # ARD00296319 123120 CA State Seller’s Permit 232781952-00001 City of Watsonville Business License Number 1792 City of Watsonville Business License Number 4358 Fictitious Business Names from Santa Cruz County for National Auto Fleet Group FBN: 2017-0000138 California General Resale Certificate Dun & Bradstreet Number: 023680653 Government of The District of Columbia Certificate Government of the District of Columbia Tax Registration # 7815888160711 City of Los Angeles Tax Registration Government of The District of Columbia CLEAN HANDS CERTIFICATION San Diego Freightliner Seller’s Permit Commonwealth of Virginia State Corporation Commission Certificate State of Maryland Good Standing Certificate Kansas Department of Revenue for Kansas City Peterbilt New Jersey Department of Treasury Registration Certificate New Jersey Business Registration Notice of Compliance of the Canton City Codified Ordinance Employee Information Report for the State of New Jersey State of Maryland New Sales and Use tax License CA State Seller’s Permit 98-037902 00006 South Carolina Department of Motor Vehicles License Number 36133 State of South Carolina Retail License Commonwealth of Kentucky Vehicle Dealer License 1583 20 100 State of West Virginia Dealer License Commonwealth of Kentucky Vehicle Dealer License 1581 20 036 State of Tennessee Vehicle Dealer License
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	Not applicable. National Auto Fleet Group has not been suspended or debarred at any point within the past ten years.

20	Describe any relevant industry awards or recognition that your company has received in the past five years.	Over the past five years, National Auto Fleet Group has been honored with several industry recognitions that reflect our commitment to excellence in government sales. Most notably, we received top placement from Ford Motor Company as the leading dealership in Government Sales -a distinction we're especially proud of. Additionally, our performance with Chevrolet has earned consistent recognition from General Motors, with honors received in five out of the past six consecutive years. These awards speak to the strength of our partnerships, the dedication of our team, and our ongoing focus on delivering outstanding service to public sector clients nationwide.	*
21	What percentage of your sales are to the governmental sector in the past three years?	Within our fleet division, approximately 90% of all sales over the past three years have been to governmental entities. This consistent focus reflects our deep experience and trusted relationships within the public sector.	*
22	What percentage of your sales are to the education sector in the past three years?	Over the past three years, approximately 20% of our government sector sales have been to educational institutions, including K-12 districts, colleges, and universities. Education remains a key focus within our public sector partnerships.	*
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	We currently hold the State of California contract, under which we have delivered between 200 and 500 units annually over the past three years. In addition, we have maintained multiple Sourcewell contracts—including 091521-NAF and 032824-NAF with combined quarterly sales totaling over $350 million across that same period. These cooperative purchasing agreements have been instrumental in expanding our reach and supporting consistent, large-scale fulfillment for public sector members nationwide.	*
24	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	National Auto Fleet Group's primary focus is on our Sourcewell contract, along with the State of California contract. We do not currently hold any GSA contracts or Standing Offers and Supply Arrangements (SOSA). Our annual sales volume across these agreements is estimated to exceed $150 million over the past three years.	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Los Angeles, CA	Joe Casaletta	323-526-9233	*
City of Santa Monica, CA	Mark Zamora	310-458-8526	*
City of San Diego, CA	Ralph Monroy	619-527-7577	*
City of Jersey City, NJ	James Lovero	201-547-4423	

Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	National Auto Fleet Group operates with a robust combination of direct and indirect sales force personnel. Our direct sales force includes both in-house employees and partner dealership staff, totaling over 300 full-time and part-time individuals. These professionals are strategically located across the U.S., enabling us to support members nationwide. We also leverage strong relationships with larger-class dealerships to fulfill lower-class vehicle needs creating a versatile, cross-functional sales team that serves both our dealership network and the NAFG Fleet Division. Our indirect sales force includes more than 100 personnel from our upfitter and supplier partner network, and that number continues to grow each year. This collaborative network supports quoting, fulfillment, and customer service, ensuring our members receive turnkey solutions that are seamless from start to finish. Together, our direct and indirect teams have enabled NAFG to successfully grow, scale, and serve the evolving needs of Sourcewell members. As membership expands, we are fully committed to continuing that growth by bringing on additional staff to meet rising demand and, more importantly, exceed expectations.	*

27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	Our network of Authorized Sellers spans both the United States, supported by a strong franchise system built through our 17 proposed OEMs. Each of these manufacturers has established extensive dealer networks across North America, with factory-authorized stores strategically located to ensure all members have access to local service, support, and warranty coverage. This built-in infrastructure enables us to deliver Solutions efficiently and reliably no matter where a member is located within the US. With certified dealerships in all 50 U.S. states, we are equipped to provide responsive delivery, servicing, and warranty fulfillment with consistency and scale. NAFG feel's the North American automotive supply chain, particularly for the OEMs we represent, is one of the strongest and most reliable in the world. Our access to this network ensures that Sourcewell members receive the highest level of support from order to delivery and beyond.	*
28	Service force.	The 17 OEMs we represent offer access to thousands of authorized service centers and warranty repair facilities across the United States. This expansive service network ensures that Sourcewell members have convenient, reliable support no matter where they are located with service centers in every state. All OEM service locations are fully equipped to handle maintenance and warranty needs for their respective brands, providing timely and expert service that supports the full lifecycle of the vehicles we deliver. While service accessibility is generally comprehensive across the continental U.S., members in Alaska and Hawaii may experience greater distances between franchise locations, which could impact travel time to the nearest authorized service center. Even in those cases, we work closely with our OEM partners to coordinate support and minimize disruption.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Members can inquire about a new vehicle order process in three convenient ways: Online by visiting www.NationalAutoFleetGroup.com and using our step-by-step quote builder, By phone at 855-289-6572 to speak directly with a fleet representative, or By email at Fleet@NationalAutoFleetGroup.com. Once an order is submitted, National Auto Fleet Group handles all coordination, including processing the order with the manufacturer and managing the vehicle's path through any requested upfitting or customization. Depending on the needs of the member, vehicles are either routed to an upfitting partner or shipped directly to the desired end-user location. Throughout the process, our team remains the primary point of contact—managing communication, timelines, and logistics between the member, the manufacturer, and any third-party service providers. This ensures a streamlined, transparent, and responsive ordering experience from start to finish.	*
30	Demonstrate your ability and experience handling large order volumes for autos through light trucks.	National Auto Fleet Group has consistently managed and delivered large-scale vehicle orders from government and education members nationwide. Ranging from 5 to 927 units in a single order from cars, vans, SUV's to light trucks, including complex multi-upfitted units. Our ability to deliver large scale orders is supported not only by a streamlined digital ordering process, strong OEM partnerships, and a coast-to-coast dealer and supplier network but also our strong commitment from our banking partner Bank of America which opened up $ 85,000,000 for our use to fulfill orders. For example, through our Sourcewell contracts, over the past 12 years we've fulfilled hundreds of millions of dollars in vehicle orders—often involving high-volume orders that include detailed upfitting, title coordination, and multi-location delivery logistics. With our track record of thousands of units processed through platforms like our www.NationalAutoFleetGroup.com quote builder, we've demonstrated time and again our readiness to support large-volume orders quickly, accurately, and	*

31	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Our customer service program is built on proactive support, personalized guidance, and transparency in every stage of the process. From quote to delivery, members are supported by our dedicated staff available Monday through Friday, 7 AM to 7 PM PST, as well as a live chat function on our website for real-time assistance. Members can generate quotes online through a secure dashboard, customize builds, request upfitting, and view transparent pricing including MSRP, contract discounts, and total savings all within a few clicks. After submitting an order, members receive a Courtesy Confirmation to double-check specifications, colors, quantities, upfits, and title information. We also provide members with a “Track Your Order” feature, allowing real-time status updates using their PO number, Quote ID, VIN, or Upfit Quote ID similar to tracking a UPS package. This visibility helps members feel in control and supported every step of the way. Our team also actively communicates factory cut-off dates, sends reminders, and documents these deadlines directly on quotes. Everything we do is focused on making the buying process easier, more transparent, and more member-driven.	*
32	Demonstrate in detail your ability to sell, deliver, and support vehicles sold on a master agreement throughout the contiguous United States; as well as sell, deliver, and support vehicles sold on contract in Alaska, Hawaii, US Territories, and Canada.	National Auto Fleet Group has nationwide reach and the infrastructure to serve all Sourcewell members across the contiguous U.S., Alaska, Hawaii, U.S. Territories, and Canada. Our network of 17 OEM partners includes factory-authorized dealers and service centers across all 50 states and Canadian provinces, ensuring local access to warranty work, vehicle servicing, and delivery coordination. Even in geographically challenging areas like Alaska and Hawaii, we work closely with manufacturers and logistics partners to overcome longer distances between franchise points, ensuring every member receives the same level of support. Members also benefit from real-time tracking through our website, and our Customer Service Team is available to assist with logistics, titling, and documentation whether delivery is local	*
33	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	We are fully committed to serving all Sourcewell participating entities. In fact, Sourcewell members are the core of our business making up over 90% of our government sales activity over the past three years. We provide a full scale Solution designed specifically with Sourcewell members in mind. From simplified online quoting to customized upfitting and transparent pricing. Whether it’s a school district ordering a fleet of vans or a public works department in need of a specialty upfit, we treat every request with urgency, accuracy, and care. Our willingness to support members isn’t just operational, it’s cultural. Our entire team are all aligned around one mission: to make it as easy as possible for Sourcewell members to get what they need, when they need it.	*
34	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	NAFG are both willing and eager to extend our products and services to Sourcewell members in Canada. Expanding into the Canadian market is a natural next step for our organization, and we believe strongly in building success through partnerships with established, local Canadian dealer groups. Our proven business model, competitive pricing, and seamless digital tools provide a strong foundation for growth. Additionally, our straightforward approach to U.S. Dollar to Canadian Dollar conversion ensures transparency and simplicity for Sourcewell members across borders. We’re excited about the opportunity to support Canadian members with the same commitment to service, reliability, and value that we’ve delivered in the U.S. for over a decade.	*
35	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	National Auto Fleet Group will fully support 100% of geographic areas within the United States under the proposed agreement. We will continue to serve all Sourcewell members through our 24/7 online portal, offering around-the-clock access to quotes, order tracking, and support. While we anticipate some logistical challanges in Canada, we are committed to expanding our infrastructure and dealer partnerships to offer equally robust service and customer care to Canadian members. One important note: while we do serve nonprofit organizations, these entities may not qualify for the same discounted pricing available to government agencies. Nonprofits are subject to a separate pricing program, and each request will be reviewed on a case-by-case basis to determine eligibility and ensure fair, appropriate solutions.	*

36	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The only potential contract requirements or restrictions for participating entities in Hawaii, Alaska, and U.S. Territories are related to logistics and shipping constraints. Due to geographic distance and limited access to certain shipping ports, there may be additional freight, handling, and port fees associated with vehicle delivery to these regions. For example, vehicles destined for Alaska or Hawaii, particularly those that include upfits, are often coordinated through mainland processing before being shipped to the final destination. In these cases, members are informed in advance and may elect to include the additional shipping and port costs directly into their quote, ensuring full transparency and cost accuracy from the start. Despite these logistical considerations, National Auto Fleet Group is fully equipped and experienced in fulfilling orders for members in these areas, and we will continue to do so with the same level of attention, care, and service as we provide in the continental U.S.	*
37	Describe in detail your history and experience selling vehicles to state and local government agencies, public and private K-12 and higher education, and non-profits.	National Auto Fleet Group (NAFG) has over two generations of expertise in selling vehicles to state and local government agencies, public and private K-12 and higher education institutions, and non-profit organizations across the United States. As a minority family-owned business, we have built a strong reputation for our ability to navigate the complexities involved in government fleet vehicle purchasing. We specialize in offering hassle-free, reliable, and cost-effective solutions through our Sourcewell contracs since Sourcewell has done the bidding already on behalf of the members. Sourcewell contracts empower public agencies to bypass the tedious and time-consuming bidding process, allowing them to focus their efforts on other projects while we handle the procurement. NAFG holds two highly awarded Sourcewell contracts, which streamline vehicle purchases by providing a range of options—from light-duty vehicles like cars, vans, and SUVs to heavy-duty trucks, buses, and specialized vehicles for public entities. Through our partnerships with manufacturers and upfitters, we cater to the specific needs of government entities, school districts, and non-profits, ensuring the vehicles are ready for immediate in-service needs along with all necessary upfitting if needed. Our experience spans from working with small rural schools requiring a single van, to large cities replacing fleets of hunderds of utility trucks. No matter the scale or complexity, we are committed to offering the highest level of customer service and delivering vehicles that meet our clients' needs, budgets, and timelines. By leveraging the efficiency of Sourcewell's competitive contracts, we help our customers save both time and money, making vehicle purchasing seamless and efficient.	*
38	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Yes, National Auto Fleet Group (NAFG) will extend the terms of any awarded master agreement to nonprofit entities, provided the vehicles and the entities meet the applicable qualifications. We understand the importance of supporting nonprofit organizations, and we are committed to offering the same competitive pricing, efficient service, and high-quality vehicles that we provide to our government and educational agency customers.	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	
39	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group (NAFG) uses a comprehensive, multi-tiered marketing strategy to promote the Sourcewell contract and streamline the vehicle purchasing process for government and education entities. Our marketing strategy combines digital, in-person, and relationship-based outreach to maximize exposure, drive engagement, and support long-term growth. Website and Inbound Marketing: Our professional, customer-focused website serves as a key marketing gateway. Members can browse in-stock vehicles, explore pricing, register for access, build vehicles, and request quotes. We create inbound opportunities through tailored content such as how-to videos, member success stories, and social media posts, directing potential members to our website and empowering them to make informed purchasing decisions. Email Marketing: Email remains one of our most effective outreach tools, given its high usage among public agency staff. We use visually rich, mobile-friendly email campaigns that include flyers with Sourcewell contract details, manufacturer incentives, seasonal promotions, first-time buyer offers, and factory cutoff reminders. These emails feature embedded videos, images, and direct links to the Sourcewell homepage and NAFG quoting tools. Our platform also allows us to track performance metrics such as open rates, click-throughs, and unsubscribes to continuously refine our messaging.	

In-Person Marketing and Trade Shows:
We attend major industry trade shows, including GFX, IAPPO, NIGP, ACT, CAPPO, and CASBO to establish direct connections with members and vendors. These face-to-face meetings foster trust and long-term relationships. We also deliver in-person presentations to local cities, counties, school districts, water districts, and port authorities to explain how the NAFG–Sourcewell process works, how to buy without bidding, and the vehicle options available.

Customer Advocacy (Word-of-Mouth Marketing):
NAFG's reputation for exceptional service drives organic growth through member referrals. Our commitment to white-glove support from quote to post-delivery often results in repeat customers and unsolicited endorsements. We've built our brand through consistent follow-through, fast solutions, and personalized care—even years after a vehicle has been delivered.

Cross-Promotion Marketing with Sourcewell Vendors:
We actively collaborate with fellow Sourcewell vendors such as NCL Government Capital to offer joint marketing materials and turnkey financing options. For example, we've co-developed videos, infographics, and flyers showcasing how to lease or purchase vehicles through multiple Sourcewell contracts. We also cross-market with Hoglund Bus Company, highlighting how members can pair NAFG chassis with various Hoglund bus bodies. *

Preferred Vendor Program – NAFG Partner Page:
To increase our national network and visibility, we launched www.nafgpartner.com, a dedicated site encouraging body upfitters to join as preferred vendors. Partners receive benefits such as website and social media endorsements, referral opportunities, and PR support. To qualify, vendors agree to co-promote NAFG and refer their clients in need of chassis. This helps members easily locate qualified body upfitters in their area, while deepening vendor collaboration and contract awareness.

Customer Relationship Marketing:
Our sales team takes a relationship-first approach by focusing on solution-based selling and long-term support, not just transactions. We pride ourselves on building trust and delivering value, which translates to loyal clients and strong word-of-mouth.

Examples of Impactful Relationship Marketing:

A member used three Sourcewell contracts (NAFG, NCL Gov Capital, GovDeals) to finance, purchase, and dispose of a vehicle in a single seamless transaction.

A member urgently needed a vehicle due to an accident. We redirected them to our in-stock inventory and fulfilled the order within three weeks versus the standard 18-week factory lead time.

A liftgate malfunction two years after delivery was resolved at no cost thanks to our relationship with the original upfitter, ensuring continued satisfaction.

For a member uncertain about budget, we provided multi-OEM pricing through Ram, Chevrolet, and Ford—allowing them to choose without needing to shop around.

We expedited upfitting for a vehicle held up at a local body company by personally coordinating with the vendor, leading to early delivery.

This multi-pronged strategy ensures that National Auto Fleet Group not only promotes the Sourcewell contract widely but delivers measurable value to members across every stage of the vehicle procurement lifecycle.

40	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	National Auto Fleet Group (NAFG) utilizes a robust mix of technology, social media, and digital tools to drive marketing performance, boost engagement, and increase sales conversions. Social Media Marketing – LinkedIn Focus: LinkedIn serves as our primary digital channel to connect with public agencies and build our professional network. We use LinkedIn to: Share engaging content such as contract flyers, vehicle promotions, and program updates. Monitor member activity and job changes to identify opportunities to re-engage or offer tailored solutions. Send personalized messages to new members thanking them for registering, with direct links to our website and social platforms. This strategic outreach not only strengthens our relationships with current members but also helps us reach new decision-makers who can benefit from our vehicle procurement solutions. Video Marketing Strategy: To further enhance digital reach and content quality, our in-house marketing team creates and distributes professional-grade videos through both email and social media. These include: Welcome Video: A 90-second animated introduction to NAFG and our Sourcewell contract, featured in every weekly campaign. Walkthrough Videos: Guided, step-by-step explainers on how to purchase both Light-Duty and Heavy-Duty vehicles through the contract. In-Stock Vehicles Video: A visual showcase of available inventory with a call-to-action on how to request a quote. ETA Tracking Video: A video tutorial that empowers customers to track their own vehicle's status. Holiday-Themed Videos: Lighthearted, festive content that humanizes our brand and drives seasonal engagement. Social Media Shorts: Bite-sized videos tailored for LinkedIn and other platforms to promote new vehicles, highlight factory cutoff dates, and announce pricing changes. All videos are optimized for both desktop and mobile viewing, helping to engage a broader audience and improve retention of key messages. Email Campaign Analytics (Metadata): We track weekly email flyers, incorporating images, links, and embedded videos. The platform provides real-time data including: Open rates, Link click-throughs and Unsubscribes to asses our outreach to the members. This performance metadata allows us to adjust our messaging, layout, and frequency to ensure the highest level of engagement with our target audience. By analyzing this digital feedback, we continuously improve the effectiveness of each campaign. Live Chat Technology for Real-Time Engagement: To better serve website visitors, NAFG implemented a live chat feature that connects members directly with a live sales representative. This tool: Offers fast, real-time responses to inquiries Assists members while they build vehicle quotes online Increases quote submissions and conversions by reducing hesitation and increasing clarity during the decision-making process Early results show that our live chat feature has contributed to higher engagement, improved customer satisfaction, and shorter sales cycles—especially for first-time buyers navigating the Sourcewell process.	*

41	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	Sourcewell plays a pivotal role in promoting cooperative purchasing contracts by acting as a trusted bridge between vendors and public sector agencies across government, education, and nonprofit organizations. Its mission - "Our commitment to service and exceeding client expectations", which perfectly aligns with National Auto Fleet Group's relationship-based approach to sales and service. Sourcewell establishes trust and credibility by conducting a rigorous vetting and solicitation process before awarding cooperative contracts. This ensures that only qualified, ethical, and dependable vendors are awarded contracts, giving agencies confidence in their purchasing decisions. For National Auto Fleet Group (NAFG), this endorsement elevates our brand and reassures our members that they are working with a vetted and approved partner. Sourcewell's support tools, such as: Professionally designed flyers Training videos and webinars Procurement documentation Contract compliance support These help us deliver consistent, transparent, and educational messaging to both new and existing members. These resources are integrated into our own marketing and client education materials, ensuring clients understand both the value of the cooperative contract and how to access it with ease. In our sales process, the Sourcewell contract is woven into every touchpoint: Our website clearly highlights the benefits of cooperative purchasing through Sourcewell. Our email campaigns feature Sourcewell branding and direct links to contract resources. Our sales team is fully trained to walk clients through the Sourcewell purchasing process, eliminating confusion and saving agencies the time and cost of traditional competitive bidding. We educate members during in-person presentations and trade shows about how Sourcewell allows them to procure vehicles immediately while remaining fully compliant with public procurement laws. At NAFG, we believe Sourcewell is more than just a contract holder—it's a strategic partner that helps us build trust, streamline procurement, and serve our members with unmatched efficiency and integrity. We are proud to uphold the high standards Sourcewell represents and integrate them throughout our client-facing operations.	*

42	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Yes, National Auto Fleet Group offers a fully accessible e-procurement solution through our website, which provides government and education agencies with a self-guided, efficient, and user-friendly platform to browse, customize, and request vehicle quotes. Our online system allows members to: Browse a wide selection of vehicle makes and models Customize builds to meet their agency's specifications, including factory options and body upfitting needs Generate real-time quotes, often in under five minutes depending on vehicle complexity Download or submit quotes and supporting documentation without ever needing to speak with a sales representative For agencies that prefer guided support, a dedicated live chat feature is available alongside traditional phone and email contact options. Clients can interact with a knowledgeable representative in real time for assistance with quote building, vehicle specs, or ordering next steps. To further enhance usability, we've created a "How-To Videos" section on our homepage. These step-by-step guides demonstrate: "How to register as a Sourcewell member" "How to build a vehicle online" "How to include upfitting needs in the quote" "How to submit a purchase order for processing" Once a quote is finalized, the client can complete the transaction by simply uploading in directly into our site or bysubmitting a purchase order via email. This approach enables a flexible hybrid of self-service and personalized support, accommodating both highly independent buyers and those who prefer a walk-through approach. Public agencies regularly use this e-procurement system to: Compare options across manufacturers Expedite quote generation and documentation for internal approvals Submit POs directly, avoiding the delays of traditional bidding processes Stay compliant through Sourcewell's competitively awarded contract framework This system not only saves time, but empowers agencies to manage their fleet procurement with autonomy, transparency, and full support from the NAFG team whenever needed	*

Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

Line Item	Question	Response *	
43	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	National Auto Fleet Group extends all product, equipment, maintenance, and operator training programs made available by the OEMs directly to Sourcewell members during the quoting process. Training availability and scope are typically determined by the vehicle class, equipment type, and geographic location, and are quoted accordingly by the manufacturer. When such training is offered, NAFG can include it in the member's quote and handles it similarly to an upfit by ensuring it is documented, transparent, and customized to the member's needs. These training programs may cover areas such as vehicle operation, safety, and maintenance procedures. Any associated costs are clearly outlined and passed through without markup, so members can make fully informed decisions.	*

44	Describe any technological advances that your proposed Solutions offer.	The technological advancements offered through National Auto Fleet Group reflect both cutting-edge manufacturer innovation and our own commitment to future-forward solutions. OEMs like Ford Motor Company, General Motors, and other top-tier brands continue to push the boundaries with advanced safety systems, connectivity features, alternative fuel capabilities, and electrified powertrains, many of which are available across a wide range of vehicle classes offered to Sourcewell members. In addition, NAFG supports members who are seeking to electrify their fleets by offering access to specialized upfits, for example including integration of Motive Power Systems. These options allow members to transition into sustainable vehicle solutions while maintaining performance and functionality.	*
45	Describe any service contract options or extended warranties being offered with your proposal.	National Auto Fleet Group (NAFG) offers all existing warranties provided by the Original Equipment Manufacturers (OEMs) as an option, which will be treated as an upfit. In addition to the OEM warranties, when asked by members, our standard offered extended warranty is a 5-year/100,000-mile coverage with a $0 deductible. This ensures that our customers receive peace of mind with comprehensive coverage for their fleet, minimizing potential repair costs over the long term.	*
46	Describe in detail warranties offered and how they will be administered, including if they cover all products, parts, labor, technician travel, and geographic regions covered.	Since we are offering 17 different brand names, we have included a "Warranty" file in the attachment under the specifications file in our response. The attachment outlines what is covered by each OEM and there length of coverage's by time and miles.	*
47	Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	National Auto Fleet Group is deeply committed to supporting meaningful green initiatives and forward-thinking partnerships. We played an integral role in the formation of the Climate Mayors Electric Vehicle Purchasing Collaborative, a coalition created in partnership with over 400 mayors nationwide to accelerate the adoption of clean, all-electric fleets. This initiative was designed specifically to help public agencies transition to zero-emission vehicles and lead by example in their communities. Through this collaboration, Sourcewell members have access to a growing lineup of 100% electric vehicles, including models such as the Chevrolet EV line up with Silverado EV, Ford Mustang Mach-E, and the all-electric Ford F-150 Lightning. As OEMs continue to expand their electric offerings, NAFG is committed to making those vehicles readily available to Sourcewell members. More information about this initiative can be found at www.DriveEVfleet.org. Certification and leadership for this program are guided by the Climate Mayors, Bloomberg Philanthropies, and C40 Cities.	*
48	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	National Auto Fleet Group, along with several of our partner suppliers and upfitters, maintains relevant third-party certifications that reflect a commitment to energy efficiency and sustainability. Key certifications include: California Air Resources Board (CARB) Certificate – Recognizing compliance with strict emissions standards and supporting low- or zero-emission vehicle offerings. Ford Qualified Vehicle Modifier (QVM) Certification – Awarded to select partners for meeting Ford’s rigorous requirements for safety, quality, and environmental standards in vehicle modifications. These certifications help demonstrate how our vehicles and upfitted solutions promote energy conservation, reduced emissions, and long-term operational efficiency. They also ensure that our offerings align with evolving environmental regulations and sustainability goals set by Sourcewell members.	*

49	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	What sets National Auto Fleet Group apart is not just our experience - it's our measurable commitment to results and service. From day one, our company has been built on a foundation of hard work, data-driven performance, and a relentless focus on customer satisfaction. We actively track and quantify our outcomes to ensure that real goals are being met, and that every Sourcewell member receives timely, attentive, and solutions-oriented service. Our internal metrics drive accountability and help us continually improve how we support members. One of our most unique offerings is our 24/7 online portal, which gives Sourcewell members secure access to quote-building tools, live tracking, support resources, and customer service assistance around the clock. Whether it's a complex upfit, a last-minute request, or a question about vehicle specs, our team is available to personally walk members through every step. We pride ourselves on being flexible, responsive, and creative problem solvers. No matter the challenge, we're committed to thinking outside the box and finding a solution that works.	*

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment	
50	Select any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		(•) Yes ( ) No	We offer leasing through Diversified Leasing owned and operated by Mr. Steve Wilson who is a Disabled Veteran Business Owner who runs his company along with Debbie Black his assistant. If an agency would like to work with Diversified Leasing we will help facilitate the transaction.	*
51		Minority Business Enterprise (MBE)	(•) Yes ( ) No	We are recognized as MBE by Supplier Clearinghouse, our certificate is attached in the attachments.	*
52		Women Business Enterprise (WBE)	( ) Yes (•) No	n/a	*
53		Disabled-Owned Business Enterprise (DOBE)	( ) Yes (•) No	n/a	*
54		Veteran-Owned Business Enterprise (VBE)	( ) Yes (•) No	n/a	*
55		Service-Disabled Veteran-Owned Business (SDVOB)	( ) Yes (•) No	n/a	*
56		Small Business Enterprise (SBE)	( ) Yes (•) No	n/a	*
57		Small Disadvantaged Business (SDB)	( ) Yes (•) No	n/a	*
58		Women-Owned Small Business (WOSB)	( ) Yes (•) No	n/a	*

Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	

59	Describe your payment terms and accepted payment methods.	Our standard payment terms are Net 20, with a 10-day grace period offered for flexibility. We accept the following payment methods: Check ACH (Automated Clearing House) These options are designed to accommodate the procurement processes of public sector entities while ensuring a smooth and secure transaction experience.	*
60	Describe any leasing or financing options available for use by educational or governmental entities.	To support educational and governmental entities with flexible procurement options, National Auto Fleet Group has partnered with National Cooperative Leasing (NCL) to offer customized leasing solutions for all vehicles quoted under our Sourcewell contract. We also offer leasing through Diversified Leasing. These leasing options are available to Sourcewell members as part of our standard offering and can be applied to any eligible NAFG quote. This partnership ensures members have access to competitive, compliant financing structures tailored to their budget cycles and operational needs. For additional details, a sample lease agreement is included in the “Member Walk Through” attachment the document titled “NCL Sample Lease.”	*
61	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	National Auto Fleet Group utilizes a set of standardized transaction documents designed to ensure transparency, accuracy, and ease of use for Sourcewell members. These documents may include: - Order forms specific to vehicle configuration and upfit details - Courtesy Confirmations to validate order specifications before final placement - Terms and Conditions outlining payment, delivery, and warranty provisions - Service contract agreements when applicable, particularly for upfitting or specialty builds - Title and registration documentation tailored to the member’s local requirements All relevant template documents have been uploaded in the Standard Transaction Document attachment. These documents reflect our commitment to clear communication and consistent standards, while also allowing room for customization based on the specific needs of each participating entity	*
62	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, National Auto Fleet Group accepts P-card payments from Sourcewell membes. We accept P-card transactions up to $2,500 per vehicle with no additional fee. For transactions exceeding $2,500, a credit card processing fee will apply, which will be transparently itemized and passed on to the member. This policy allows us to support convenient procurement while maintaining cost transparency and flexibility for all participating entities.	*
63	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group utilizes a line-item discount model based on Manufacturer Suggested Retail Pricing (MSRP). We are offering Sourcewell participating entities competitive discounts across 17 OEM brands, as detailed in the Price File. In addition to vehicle pricing, NAFG provides the option to customize vehicles with upfits based on the member’s needs. All upfit-related pricing is also included and clearly itemized in the Price Summary Page within the Price File. Each line includes the standard MSRP, the Sourcewell discounted price, and all applicable OEM available options. Where available, SKUs and product identifiers are listed to support clarity and consistency.	*

64	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	National Auto Fleet Group's pricing proposal includes line-item discounts off MSRP across 17 OEM brands. Including all factory options. The percentage discounts vary by manufacturer and vehicle model, and are fully detailed in the uploaded "Price File" ZIP under each respective tab. Below is a summary of the estimated discount ranges offered by brand: Ford Motor Company from -0.42% to 3.63% Chevrolet from 0.24% to 10.02% Ram Stellantis Company from 3.44% to 9.99% Dodge Stellantis Company from 4.05% to 6.93% Jeep Stellantis Company from -.073% to 6.82% Chrysler Stellantis Company from .49% to 1.81% Buick from 0.91% to 0.97% Honda from -1.48 to 3.4% Toyota from 0.07% to 5.22% Nissan from 0.73% to 17% Kia from -1.25% to 2.48% GMC from 1.28% to 5.19% Volkswagen from 1.74% to 3.08% Lincoln from .077% to 3.12% BMW from 0.32% to 2.9% Cadillac from 2.11% to 2.2% Mullen/Bollinger at 2% While a few models reflect slight negative variances due to MSRP or market fluctuations, the majority of offerings show meaningful cost savings. Full details, including price summary, models and discount breakdowns are included in the "Price File" for Sourcewell's review. Upfits can be added at dealer invoice up to 20% detailed in the price file	*
65	Describe any quantity or volume discounts or rebate programs that you offer.	National Auto Fleet Group encourages members considering large-volume purchases (typically 50 units or more) to reach out directly for customized pricing and additional volume-based discounts. While standard discounts are reflected in our price file, we recognize that high-volume opportunities often warrant special consideration. In such cases, we work closely with both OEMs and upfit partners to secure the most competitive pricing available, ensuring maximum value for Sourcewell members. Depending on the uniqueness of the large order and model, some extra costs not associated with a single purchase may be added, these are provided in the Price File. Each high-volume order is evaluated individually to provide tailored, transparent, and advantageous pricing.	*
66	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "non-contracted items". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	"Open market" items or "sourced goods" that fall outside of standard configurations will be facilitated and treated as upfit components within the quoting process. National Auto Fleet Group will obtain quotes for these items on a case-by-case basis and include them as part of the final vehicle quote. In most cases, such items will be provided at cost, though a markup of up to 20% may apply depending on the complexity of the item or service and any associated handling or integration requirements. This approach ensures transparency while maintaining flexibility for Sourcewell members who require specialized, nonstandard solutions.	*

67	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	All standard costs associated with the total acquisition for a standard vehicle purchase including factory options, upfits, and administrative fees which have been accounted are within the Price Summary Page and Price table included in the submitted price file. If a Sourcewell member requests a specialized or nonstandard solution that involves additional services such as installation, training, or setup, those costs will be clearly quoted as part of the upfit and incorporated into the final vehicle quote. These services may be fulfilled either by OEM-authorized providers or trusted third-party upfitters in our partner network, depending on the nature of the request.	*
68	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All manufacturers include a standard Factory Destination Charge as part of the vehicle's MSRP. In addition to this, members may incur separate freight or delivery costs if a vehicle requires additional transport. For example, to or from an upfitter or final delivery location. These secondary freight charges vary depending on distance, delivery type, and location, and will be clearly itemized in the member's quote for full visibility and approval before purchase. National Auto Fleet Group ensures that all such charges are communicated upfront and incorporated seamlessly into the overall pricing.	*
69	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Shipping to Alaska, Hawaii, Canada, and U.S. Territories may involve additional logistical expenses, including but not limited to ferry charges, port handling fees, and extended driver delivery costs. These region-specific costs are carefully calculated based on the delivery route and vehicle type. All such charges will be disclosed on the member's quote for review and approval prior to finalizing the purchase. National Auto Fleet Group is experienced in managing deliveries to these regions and ensures all logistics are handled efficiently, transparently, and in compliance with regional requirements.	*
70	Describe any unique distribution and/or delivery methods or options offered in your proposal.	National Auto Fleet Group operates within a highly developed, nationwide franchise dealer distribution network, supported by relationships with 17 major OEMs. This network enables us to deliver vehicles quickly and efficiently to members and their end users across the country. In addition, for vehicles requiring upfits or multi-stage delivery, NAFG coordinates logistics directly with upfitters and transport providers, ensuring a turnkey experience from quote to delivery. Our digital order tracking system also allows members to monitor each step in the delivery process, enhancing communication and transparency throughout.	*
71	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	National Auto Fleet Group employs a robust self-audit process to ensure full compliance with our Sourcewell agreement, including verification that participating entities receive accurate, contract-based pricing. Sourcewell members can generate quotes directly through our user-friendly online platform, which is updated daily to reflect the most current manufacturer MSRP data. This ensures that pricing remains accurate and aligned with the most recent OEM updates. Our system is designed to deliver 99.99% pricing accuracy, and every quote reflects both the Sourcewell contract discount and any applicable administrative fees. In addition to this front-end visibility, our internal processes include regular pricing audits, cross-checks, and validation against contract terms. We also maintain a streamlined reporting system that allows us to deliver accurate quarterly sales and administrative reports to Sourcewell within a 15-30 day turnaround window, helping ensure transparency and ongoing contract compliance.	*

72	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	One of the key internal metrics National Auto Fleet Group uses to track and measure success under the Sourcewell contract is maintained through our online platform, which logs all member-generated quotes in real time. We carefully monitor how many quotes are created, which are converted into purchase orders, and how frequently members engage with the system. This gives us immediate insight into usage trends, quote-to-order conversion rates, and which vehicle types or configurations are seeing the most interest. Each month, we evaluate these indicators and closely monitor sales volume, frequency, and geographic distribution. We also track whether orders come from new or returning members, allowing us to measure how well we're growing the Sourcewell member base and maintaining long-term relationships. In addition to these core metrics, we review: 1. Average order size and upfit complexity 2. Delivery timelines and fulfillment rates 3. Quote accuracy and pricing consistency 4. Regional sales performance and market penetration This data informs both our strategic decision-making and our day-to-day service operations. Ultimately, we use these metrics to ensure we're not only meeting contractual obligations, but exceeding expectations by delivering consistent value, responsive service, and a positive experience for every Sourcewell member.	*
73	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	National Auto Fleet Group proposes the following Administrative Fee structure payable to Sourcewell for all completed transactions under this Master Agreement: $300 per vehicle purchased directly through NAFG $200 per vehicle purchased through our approved partner dealer, Alan Jay Automotive At this time, no other partner dealer groups are included in the scope of this agreement for administrative fee purposes. This fee will be submitted on all completed transactions during each applicable reporting period, in accordance with the terms outlined in the Master Agreement.	*

Table 6B: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments	
74	The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.	Members receive the best overall value, service and customer care from NAFG.	*

Table 7A: Depth and Breadth of Offered Equipment Products and Services (200 Points, applies to Table 7A, 7B, and 7C or 7D)

Sourcewell is seeking proposals for Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories. Awards under this solicitation for Automobiles, SUVs, Vans, and Light Trucks will be in two (2) categories.

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a proposer offers vehicle solutions with Internal Combustions Engines (ICE) as well as vehicles with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 ONLY.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems ONLY.

Line Item	Category Selection *	
75	Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks	*

Table 7B: Depth and Breadth of Offered Solutions

Line Item	Question	Response *	
76	Provide a detailed description of all the Solutions offered, including used Solutions if applicable, offered in the proposal.	National Auto Fleet Group is offering a comprehensive lineup of vehicles and turnkey fleet solutions under this proposal. We represent 17 OEM manufacturers, collectively offering over 100 makes and models across Class 1–3 vehicles, as well as select Cab & Chassis configurations. These include sedans, SUVs, pickup trucks, vans, hybrid models, and electric vehicles. Our inventory spans gas, diesel, hybrid, and all-electric platforms to meet the evolving operational and sustainability goals of Sourcewell members. All vehicle solutions offered through NAFG can be customized with upfits to meet industry-specific needs. They range from basic toolboxes and ladder racks to line mechanic bodies, service beds, utility bodies, and more. Upfits can be completed by either a trusted partner from our established upfitter network or by a supplier chosen by the member. In either case, NAFG coordinates directly to provide complete, turnkey quotes with all elements clearly specified. At this time, used vehicles are not offered as part of this proposal, as we are focused on delivering new, warrantied, and fully specifiable vehicles that align with Sourcewell members' procurement and compliance standards.	*
77	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Subcategory titles that best describe the solutions offered by National Auto Fleet Group include: Passenger Vehicles (Sedans, SUVs, Crossovers) Light-Duty Trucks (Class 1–3) Cab & Chassis Cargo and Passenger Vans Hybrid and Electric Vehicles Utility Vehicles and Work Trucks Upfitted Vehicles – Service Bodies, Mechanic Trucks, Utility Beds Fleet Leasing Options (via NCL) Custom Upfit Coordination (Turnkey Quotes) Online Quote Building and Member Support Tools These subcategories reflect the breadth of our offering and our ability to provide end-to-end solutions, from vehicle sourcing to upfit customization and delivery.	*

Table 7C: Depth and Breadth - Category 1 - All Engine Types

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☐ We will not be submitting for Table 7C: Depth and Breadth - Category 1 - All Engine Types

Line Item	Category or Type	Offered *	Comments
78	Automobiles	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
79	Sport Utility Vehicles	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
80	Vans	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
81	Light Trucks (half ton, three quarter ton, and one ton)	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
82	Vehicles of the types and classifications in 78-81 above with upfitting designed for Public Safety Applications	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
83	Vehicles of the types and classifications in 78-81 above with upfitting designed for ADA and Paratransit Applications	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
84	Vehicles of the types and classifications in 78-81 above with upfitting designed for Service Body and Utility Bed for Light Truck	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
85	Conventional Internal Combustion models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
86	Natural gas, propane autogas, hybrid, or alternative fuel models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
87	Electric powered models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.

Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☑ We will not be submitting for Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Line Item	Category or Type	Offered *	Comments
88	Automobiles	○ Yes ○ No	
89	Sport Utility Vehicles	○ Yes ○ No	
90	Vans	○ Yes ○ No	
91	Light Trucks (half ton, three quarter ton, and one ton)	○ Yes ○ No	
92	Vehicles of the types and classifications in 88-91 above with upfitting designed for Public Safety Applications	○ Yes ○ No	
93	Vehicles of the types and classifications in 88-91 above with upfitting designed for ADA and Paratransit Applications	○ Yes ○ No	
94	Vehicles of the types and classifications in 88-91 above with upfitting designed for Service Body and Utility Bed for Light Truck	○ Yes ○ No	

Table 8: Exceptions to Terms, Conditions, or Specifications Form

Line Item 95. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - Price File for NAFG 081325.zip - Sunday August 10, 2025 00:37:53
- Financial Strength and Stability - Financial Strength and Stability for NAFG 081325.zip - Sunday August 10, 2025 00:38:28
- Marketing Plan/Samples - Marketing Plan for NAFG 081325.zip - Sunday August 10, 2025 00:38:58
- WMBE/MBE/SBE or Related Certificates - MBE and Realted Certificates for NAFG 081325.zip - Sunday August 10, 2025 00:39:21
- Standard Transaction Document Samples - Standard Transaction for NAFG 081325.zip - Sunday August 10, 2025 00:39:37
- Requested Exceptions (optional)
- Upload Additional Document - ALL 17 Manufacture Models and Warranty for NAFG 081325.zip - Sunday August 10, 2025 00:40:37

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. Proposer its employees, agents, and subcontractors are not:

1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jesse Cooper, Fleet Manager, 72 Hour LLC, DBA: National Auto Fleet Group

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_6_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Tue August 5 2025 09:12 AM	☑	1
Addendum_5_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon August 4 2025 08:59 AM	☑	2
Addendum_4_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 30 2025 08:06 AM	☑	2
Addendum_3_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon July 28 2025 07:50 AM	☑	1
Addendum_2_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Fri July 25 2025 08:11 AM	☑	2
Addendum_1_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 23 2025 04:15 PM	☑	2

National Auto Fleet Group

A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

12/3/2025
3/17/2026 Re-Configured

Government Quote ID: **33705 R1**

Order Cut Off Date: **TBA**

Mr Adam Dyer
City of Palmdale

39110 3rd Street East

Palmdale, California, 93550

Dear Adam Dyer,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused (2026 Ford Super Duty F-600 DRW (F6L) XL 4WD Reg Cab 193" WB 108" CA, Installed Upfit: Snow Plow & Dump) and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$67,915.00	$65,653.52	3.330 %	$2,261.48
Installed Upfit: Snow Plow & Dump		$50,433.90		
Tax (11.2500 %)		$13,059.83		
Tire fee		$10.50		
Transportation		$4,200.00		
Total		$133,357.75		

*Per the attached specifications. Additional upfit options included; **Required progress payment for chassis due upon delivery to installer. Invoice for upfit due thereafter upon completion.**
This vehicle(s) is available under the **Sourcewell Contract 081325-NAF.** Please reference this Contract number on all purchase order to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle. Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Jesse Cooper
Account Manager
Email: Fleet@NationalAutoFleetGroup.com
Office: (855) 289-6572
Fax: (831) 480-8497

Standard Quoting Department
Account Manager
Fleet@NationalAutoFleetGroup.com
(855) 289-6572

Sourcewell
Awarded Contract
Contract # 081325-NAF

CHEVROLET FORD NISSAN TOYOTA BUICK CADILLAC GMC

Purchase Order Instructions & Resources

Once units are scheduled by OEM, no cancellations are accepted

In order to finalize your purchase please submit this purchase packet to your governing body for a purchase order approval and submit your purchase order in the following way:

Email: Fleet@NationalAutoFleetGroup.com

Fax: (831) 480-8497

Mail: National Auto Fleet Group

490 Auto Center Drive

Watsonville, CA 95076

We will send a courtesy confirmation for your order and a W-9 if needed.

Additional Resources

Learn how to track your vehicle:	**www.NAFGETA.com**
Use the upfitter of your choice:	**www.NAFGpartner.com**
Vehicle Status:	**ETA@NationalAutoFleetGroup.com**
General Inquiries:	**Fleet@NationalAutoFleetGroup.com**

For general questions or assistance please contact our main office at:

1-855-289-6572

Snow Plow & Dump Body

Minimum Chassis Specifications

Ford F-550 or F-600 (customer supplied)

- 84” Cab to Axle

Snowplow

- Snowplow Package (Includes rapid link attachment)
- CMII Series Lift Frame
- CM 100II Moldboard
- Ford F250-F600, 2017+ Truck Mount
- LED Illuminator Lighting Kit
- Inline Adapter, 2023+ Ford Superduty Light Adapter

Dump Body

- 11 Ft CM Dump w/ Electric Hoist and Fixed Sides
- Bolt-On Cab Protector w/ Plasma Cut Rear View Window Grill
- 6” Structural Steel Long Sills, 3” Structural Crossmembers
- 18” Stationary Sides w/ Wood Pockets
- 10-Gauge Steel Floor
- 18” 10-Gauge Side Walls
- 2-Point 24” Tall Rear Gate

Installation

- LED DOT Approved Lighting
- Weight Slip and Certification
- Ford Chassis Harness
- Tarp System – 8-19 Ft Tarp Kit
- 1 Gear Motor – 4 Springs w/ Wind Deflector
- Heavy Duty Black Mesh Tarp 7-1/2 x 15 Ft
- Class 5 44 Inch Service Body Hitch Receiver Tube and 9 Inch Mounting Plates
- Galvanized Anti-Sail Brackets 26.13 x 21 Inch
- Factory Type 7 Way
- 24” Wiring Extension Harness

Vehicle Configuration Options

ENGINE	
Code	**Description**
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas, (STD)
TRANSMISSION	
Code	**Description**
44G	Transmission: TorqShift 10-Speed Automatic, (STD)
TIRES	
Code	**Description**
TD5	Tires: 245/70Rx19.5G BSW A/P, (STD)
PRIMARY PAINT	
Code	**Description**
Z1	Oxford White
SEAT TYPE	
Code	**Description**
AS	Medium Dark Slate, HD Vinyl 40/20/40 Split Bench Seat, -inc: center armrest, cupholder, storage and driver's side manual lumbar
AXLE RATIO	
Code	**Description**
X8L	Limited Slip w/4.88 Axle Ratio, (STD)
ADDITIONAL EQUIPMENT	
Code	**Description**
86M	Dual 68 AH/65 AGM Battery
43K	Pro Power Onboard - 2kW, -inc: dual alternators 12V 250 Amp + 24V 150 Amp, Placement and connection of the aux outlet is the responsibility of the final stage manufacturer
52B	Trailer Brake Controller
473	Snow Plow Prep Package, -inc: pre-selected springs (see order guide supplemental reference for springs/FGAWR of specific vehicle configurations), Note 1: Restrictions apply; see supplemental reference or body builders layout book for details, Note 2: Also allows for the attachment of a winch, Note 3: Highly recommended to add (86M) dual battery on 7.3L gas engine, Adding (67B) 410 amp dual alternators for diesel engine is highly recommended for max power output
18B	Platform Running Boards
153	Front License Plate Bracket

61L	Front Wheel Well Liner (Pre-Installed)
872	Rear View Camera & Prep Kit, -inc: Pre-installed content includes cab wiring and frame wiring to the rear most cross member, Upfitters kit includes camera w/mounting bracket, 20' jumper wire and camera mounting/aiming instructions
76C	Exterior Backup Alarm (Pre-Installed)

OPTION PACKAGE

Code	**Description**
680A	Order Code 680A

2026 Fleet/Non-Retail Ford Super Duty F-600 DRW XL 4WD Reg Cab 193" WB 108" CA

WINDOW STICKER

2026 Ford Super Duty F-600 DRW XL 4WD Reg Cab 193" WB 108" CA

CODE	MODEL	MSRP
F6L	2026 Ford Super Duty F-600 DRW XL 4WD Reg Cab 193" WB 108" CA	$61,630.00
	OPTIONS	
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas, (STD)	$0.00
44G	Transmission: TorqShift 10-Speed Automatic, (STD)	$0.00
TD5	Tires: 245/70Rx19.5G BSW A/P, (STD)	$0.00
Z1	Oxford White	$0.00
AS	Medium Dark Slate, HD Vinyl 40/20/40 Split Bench Seat, -inc: center armrest, cupholder, storage and driver's side manual lumbar	$0.00
X8L	Limited Slip w/4.88 Axle Ratio, (STD)	$0.00
86M	Dual 68 AH/65 AGM Battery	$210.00
43K	Pro Power Onboard - 2kW, -inc: dual alternators 12V 250 Amp + 24V 150 Amp, Placement and connection of the aux outlet is the responsibility of the final stage manufacturer	$985.00
52B	Trailer Brake Controller	$300.00
473	Snow Plow Prep Package, -inc: pre-selected springs (see order guide supplemental reference for springs/FGAWR of specific vehicle configurations), Note 1: Restrictions apply; see supplemental reference or body builders layout book for details, Note 2: Also allows for the attachment of a winch, Note 3: Highly recommended to add (86M) dual battery on 7.3L gas engine, Adding (67B) 410 amp dual alternators for diesel engine is highly recommended for max power output	$350.00
18B	Platform Running Boards	$320.00
153	Front License Plate Bracket	$0.00
61L	Front Wheel Well Liner (Pre-Installed)	$180.00
872	Rear View Camera & Prep Kit, -inc: Pre-installed content includes cab wiring and frame wiring to the rear most cross member, Upfitters kit includes camera w/mounting bracket, 20' jumper wire and camera mounting/aiming instructions	$515.00
76C	Exterior Backup Alarm (Pre-Installed)	$230.00
680A	Order Code 680A	$0.00

Please note selected options override standard equipment

SUBTOTAL	**$65,120.00**
Advert/ Adjustments	$0.00
Manufacturer Destination Charge	$2,795.00
TOTAL PRICE	**$67,915.00**

Est City: N/A MPG
Est Highway: N/A MPG
Est Highway Cruising Range: N/A mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 7.3L 2V DEVCT NA PFI V8 Gas (STD)
Transmission: TorqShift 10-Speed Automatic -inc: SelectShift, selectable drive modes: normal, tow/haul, eco, slippery roads and off-road and transmission power take-off provision (STD)
Limited Slip w/4.88 Axle Ratio (STD)

EXTERIOR

Tires: 245/70Rx19.5G BSW A/P -inc: Spare may not be the same as road tire (STD)

WHEELS

Wheels: 19.5" x 6.75" Argent Painted Steel

ADDITIONAL EQUIPMENT

50-State Emissions System
Transmission w/Driver Selectable Mode and Oil Cooler
Electronic Transfer Case
Part-Time Four-Wheel Drive
68-Amp/Hr 750CCA Maintenance-Free Battery w/Run Down Protection
190 Amp Alternator
190 Amp Alternator
Towing Equipment -inc: Trailer Sway Control
Trailer Wiring Harness
14650# Maximum Payload
GVWR: 22,000 lbs Payload Package
HD Gas-Pressurized Shock Absorbers
Front And Rear Anti-Roll Bars
Firm Suspension
Hydraulic Power-Assist Steering
40 Gal. Fuel Tank
Single Stainless Steel Exhaust
Dual Rear Wheels
Auto Locking Hubs
Front Suspension w/Coil Springs
Solid Axle Rear Suspension w/Leaf Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control

Upfitter Switches
Black Front Bumper w/Black Rub Strip/Fascia Accent and 2 Tow Hooks
Black Fender Flares
Black Side Windows Trim and Black Front Windshield Trim
Black Door Handles
Black Power Heated Side Mirrors w/Convex Spotter, Manual Folding and Turn Signal Indicator
Manual Extendable Trailer Style Mirrors
Fixed Rear Window
Light Tinted Glass
Variable Intermittent Wipers
Aluminum Panels
Front Splash Guards
Black Grille
Autolamp Auto On/Off Reflector Halogen Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Cab Clearance Lights
Perimeter/Approach Lights
Radio w/Seek-Scan, Clock and Speed Compensated Volume Control
Radio: AM/FM Stereo w/MP3 Player -inc: 4 speakers
4 Speakers
Fixed Antenna
SYNC 4 -inc: 8" center display, wireless phone connection, cloud connected, AppLink w/app catalog, 911 Assist, Apple CarPlay and Android Auto compatibility and digital owner's manual
Wireless Phone Connectivity
2 LCD Monitors In The Front
4-Way Driver Seat -inc: Manual Recline and Fore/Aft Movement
4-Way Passenger Seat -inc: Manual Recline and Fore/Aft Movement
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Oil Pressure, Engine Coolant Temp, Tachometer, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer
Front Cupholder
Compass
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Manual Air Conditioning
Locking Glove Box
Interior Trim -inc: Chrome Interior Accents
Full Cloth Headliner
Urethane Gear Shifter Material
HD Vinyl 40/20/40 Split Bench Seat -inc: center armrest, cupholder, storage and driver's side manual lumbar

Day-Night Rearview Mirror
Passenger Visor Vanity Mirror
Full Overhead Console w/Storage and 2 12V DC Power Outlets
Front Map Lights
Fade-To-Off Interior Lighting
Full Vinyl/Rubber Floor Covering
Smart Device Remote Engine Start
Smart Device Integration
Ford Connectivity Package (1-Year Included) -inc: unlimited Wi-Fi hotspot, Included for 1-year from warranty start date, Requires activation via Ford app w/credit card authorization; customer may cancel at any time, Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features, Ford may temporarily slow data speeds if such data usage reaches or exceeds 50GB within a billing cycle or due to network limitations, If a customer uses more than 50% of their data usage in a roaming country during a 60-day period, Ford may remove or limit the customer's data plan
Instrument Panel Covered Bin and Dashboard Storage
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Seats w/Vinyl Back Material
Manual Adjustable Front Head Restraints
Front Center Armrest w/Storage
Perimeter Alarm
Securilock Anti-Theft Ignition (pats) Immobilizer
2 12V DC Power Outlets
Air Filtration
AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Emergency Sos Capability
Pre-Collision Assist with Automatic Emergency Braking (AEB)
Lane Departure Warning
Collision Mitigation-Front
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags w/Passenger Off Switch
Safety Canopy System Curtain 1st Row Airbags
Outboard Front Lap And Shoulder Safety Belts -inc: Height Adjusters

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-019, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-019, a Resolution of the City Council of the City of Palmdale, adopting a list of projects for Fiscal Year 2026-27 funded by Senate Bill 1: The Road Repair and Accountability Act of 2017; and,

2. Authorize the Mayor to execute Resolution No. CC 2026-019, approving a list of projects for Fiscal Year 2026-27 funded by Senate Bill 1: The Road Repair and Accountability Act of 2017.

BACKGROUND

In April 2017, the Governor signed Senate Bill 1 (SB 1) (Beall, Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation, and critical safety needs on state highways and local streets and road systems, SB 1 increases per-gallon fuel excise taxes, increases diesel fuel sales taxes and vehicle registration fees, and provides for inflationary adjustments to tax rates in future years.

Beginning in November 2017, the State Controller (Controller) began depositing various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding will be apportioned by formula to eligible cities pursuant to the Streets and Highway Code (SHC) Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and road system.

SB 1 emphasizes accountability and transparency in the delivery of California's transportation programs. Therefore, to be eligible for RMRA funding, the statutes require cities to provide basic RMRA project reporting to the California Transportation Commission (Commission).

DISCUSSION

Prior to receiving an apportionment of RMRA funds from the Controller in a given fiscal year, a city must submit to the Commission a list of proposed projects to be funded with those funds. All proposed projects must also be included in a city or county budget adopted by the applicable City Council at a regular public meeting, in accordance with SHC Section 2032(a)(1).

In accordance with the above requirement, the allocated amount of $4,749,775 for FY 2026–27 will be included in the City's Capital Improvement Project budget. These funds will be applied to the projects listed below, in addition to any carry-forward balances from prior fiscal years.

- Citywide Annual Pavement Maintenance Program (CAPM)
  Location: 10th Street West between Rancho Vista Blvd. and Avenue N
  New capital improvement project for engineering design plans, specifications, and cost estimates for pavement rehabilitation improvements. Design phase to start in Summer 2026. The construction phase is anticipated to start in Spring 2027.

- Street Rehabilitation Program – Avenue R Street Improvement Project
  Location: Avenue R (25th Street East to 55th Street East) and Ave R-8 (35th Street East to 45th Street East)
  Current capital improvement project for the construction and implementation of pavement rehabilitation improvements. Design phase completed, and construction phase anticipated to start in June 2026.

FISCAL IMPACT

$4,749,775; Sufficient funds are allocated in FY 2026-27. These funds have been used for local streets and roads for basic road maintenance and road rehabilitation projects, safety projects, traffic control devices, and complete street components. Once the project is established and meets the criteria, a project number will be assigned along with the appropriate funding.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-019

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-2027 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

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

WHEREAS*,* SB 1 includes accountability and transparency provisions that will ensure the residents of our City of Palmdale are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS*,* the City of Palmdale must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City of Palmdale will receive an estimated $4.7 million in RMRA funding in Fiscal Year 2026-2027 from SB 1; and

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

WHEREAS, the City of Palmdale has undergone a robust public process to ensure public input into our community's transportation priorities/the project list through our Five-Year Capital Improvement Program and a yearly budget process; and

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

WHEREAS, the funding from SB 1 will help the City of Palmdale maintain and rehabilitate 172 street segments (approximately 4.5 million square feet of roadway), and Park and Ride facilities throughout the City of Palmdale this year in accordance with the City of Palmdale's Pavement Resurfacing Program and similar projects into the future; and

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

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials, and practices will have significant positive co-benefits statewide.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND BY THE CITY COUNCIL OF THE CITY OF PALMDALE, STATE OF CALIFORNIA, AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City's 2026-2027 Capital Improvement Budget will incorporate the following list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues:

Project Title	**Project Location/Description**	**Estimated Schedule**	**Estimated Useful Life**
Citywide Annual Pavement Maintenance Program (CAPMP)	10th Street West between Avenue N and Rancho Vista Blvd.	Design-May 2026 Construction-Spring 2027 through Fall 2027	20 years

SECTION 3. The following previously proposed and adopted projects may also utilize Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account revenues in their delivery. With the relisting of these projects in the adopted fiscal year resolution, the City/County is reaffirming to the public and the State our intent to fund these projects with Road Maintenance and Rehabilitation Account revenues:

Project Title	**Project Location**	**Estimated Completion**	**Estimated Useful Life**
Street Rehabilitation Program	Area 1 – Avenue R (25th Street East to 55th St East) Area 2 – Avenue R-8 (35th Street East to 45th Street East)	Construction – Spring 2026 through Fall 2026	20 years

SECTION 4. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED, and **ADOPTED** this 5th day of May 2026.

Approved as to form:

Alexandra Severino
City Attorney

Eric Ohlsen, 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 6th day of May 2025 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____ _____

Rochelle Scott, City Clerk

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-020, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING THE APPLICATION FOR LOCAL STREETS AND ROADS FUNDS AUTHORIZED UNDER ARTICLE 8 OF THE TRANSPORTATION DEVELOPMENT ACT**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-020, a Resolution of the City Council of the City of Palmdale, approving the application for Local Streets and Roads Funds authorized under Article 8 of the Transportation Development; and,

2. Authorize the City Manager as the City's authorized signer and designated contact person for allocation of Transportation Development Act (TDA) funds for street and road improvements.

BACKGROUND

Transportation Development Act (TDA) Article 8 funds are intended to fund unmet transit needs in areas outside the Los Angeles County Metropolitan Transportation Authority (Metro) service area, i.e., North Los Angeles County and Santa Catalina Island. However, if there are no unmet transit needs in these areas that are reasonable to meet, the Article 8 funds can be used for street and road expenditures.

DISCUSSION

Each year, a public hearing is required to determine if unmet transit needs can be addressed using Article 8 Transportation Development Act (TDA) funds. The City of Palmdale meets its transit needs through an agreement with the Antelope Valley Transit Authority. Therefore, TDA funds will be used for minor street and road improvements.

Article 8 claims are submitted by Palmdale, other North L.A. County cities, and the County for areas outside the Metro service area. When using Article 8 funds for streets and roads, the State Controller's Gas Tax Guidelines (Sections 100–400) apply.

Metro adopted the FY 2025–26 TDA Article 8 allocations on June 18, 2025. To receive the funds, the City must submit claim forms and an approved resolution by June 30, 2026. Staff recommend that the City Council approve Resolution No. CC 2026-020 to apply for the funds.

FISCAL IMPACT

$8,195,172; The total TDA Article 8 FY26 apportionment revenue is currently budgeted and has been used for Street Maintenance and Traffic Signal Operations, GIS Operations, and local street and roads projects. The total disbursement requested for FY26 is $8,195,172, which includes a drawdown of $430,888 for the FY25-26 Allocation and $7,764,284 for prior-year reserves. To ensure that TDA funds are spent in a timely manner and that interest earned on these funds is accrued, allocated, and expended consistently with the original allocations, local jurisdictions can claim, each year, only the funds needed for expenditures charged within the fiscal year.

The Los Angeles County Metropolitan Authority (LACMTA) has a policy that all allocation funds claimed and received must be spent or encumbered through August each year. Any unencumbered funds remaining in local jurisdictions' accounts on June 30 of the fiscal year must be returned to Metro for placement on reserve and future drawdown by the jurisdiction.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

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, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-020
TDA Claim Forms FY 2026

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, APPROVING THE APPLICATION FOR LOCAL STREETS AND ROADS FUNDS AUTHORIZED UNDER ARTICLE 8 OF THE TRANSPORTATION DEVELOPMENT ACT

WHEREAS, Article 8 of the Transportation Development Act provides that cities can use eligible funds of the County's Local Transportation Fund for local streets and road expenditures when the City's unmet transportation needs have been satisfied; and

WHEREAS, the City of Palmdale has met its unmet public transportation needs through an agreement with Antelope Valley Transit Authority to provide public transportation in the City of Palmdale ; and

WHEREAS, the City of Palmdale desires to use its portion of its allocation of Transportation Development Act funds for minor street and road improvements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. To authorize the City Manager as the City's authorized signature and designated contact person.

Section 2. To apply for all funds available to the City of Palmdale allocated for street and road improvements.

Section 3. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED, and **ADOPTED** this 5th day of May 2026.

Eric Ohlsen, Mayor

APPROVED AS TO FORM:

Alexandra Severino
City Attorney

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 5th day of May 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____ _____
Rochelle Scott, City Clerk

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

FY 2025-26 TDA ARTICLE 8 (PUC 99400) CLAIM FORM

PART I

Joyce Workman — 661-267-5423

CONTACT PERSON — PHONE

City of Palmdale

CLAIMANT/PAYMENT RECIPIENT

ADDRESS 38250 Sierra Hwy

Palmdale, CA 93550

Finance Department - Sarah Johnston, Deputy Director of Finance

SEND CHECK ATTENTION TO (NAME AND TITLE)

PART II

REQUEST FOR DISBURSEMENT AND RESERVES:	AMOUNT
Disbursement from FY 2025-26 Allocation	$ 430,888
Disbursement from Prior-Year Reserves	$ 7,764,284
TOTAL DISBURSEMENT REQUESTED	$ 8,195,172
Reserve for Future Disbursement	$ 7,390,388

CONDITION OF APPROVAL: Approval of this claim and payment by the County Auditor to this claimant are subject to monies being available and to the provisions that such monies will be used only in accordance with the terms and conditions set forth by this claim and Metro allocation instructions.

AUTHORIZED SIGNATURE

Salvador Mendez, City Manager

Print Name and Title

5/5/2026

Date

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

TDA ARTICLE 8

PART III

FY 2025-26 STATEMENT OF REVENUE AND EXPENSES

CLAIMANT: City of Palmdale

TDA ARTICLE 8 REVENUES & EXPENSES OF CLAIMANT

		FY 2024-25 Estimated	FY 2025-26 Proposed
Beginning Year Balance	1)	6,372,309	430,888
Revenue:			
Disbursements: Allocations and Draw-downs	2)	10,039,029	7,821,276
Interest	3)	-0-	-0-
TOTAL REVENUE (sum of lines 2 & 3)	4)	10,039,029	7,821,276
Expenditures:			
Funds returned to County Auditor	5)	-0-	-0-
Expenditures: Construction, Maintenance, and Operations expenditures	6)	8,647,054	5,632,534
TOTAL EXPENDITURES (sum of lines 5,6)	7)	8,647,054	5,632,534
End of Year Balance: (Line 1 plus line 4, minus line 7)	8)	7,764,284	2,619,630

I certify that the information on this financial reporting form accurately and to the best of my knowledge reflects revenues, expenditures, and balances of TDA Article 8 funds held by the city I represent.

5/5/2026

Signature of Chief Administrative Officer, Chief Financial Officer, or approved designee: _____ Date

By: Title City Manager

Name Salvador Mendez

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

TDA ARTICLE 8

PART IV

PROJECT INFORMATION FORM

(For **current year** streets and roads and transit capital projects)

Claimant: City of Palmdale

PROJECT NUMBER	ACCOUNT NUMBER	PROJECT DESCRIPTION	TOTAL TDA AMOUNT	OTHER FUNDS	TOTAL	COMPLETION DATE
25-001	2071500-800101	Yr-End Transfer to GF	0	0	0	6/30/2026
25-002	20711001	CM Administration SalBen	48,062	0	48,062	6/30/2026
25-003	20716001	IT Oper/Contract/Software	181,882	0	181,882	6/30/2026
25-004	20731004	CIP Consultant Svcs	0	0	0	6/30/2026
25-005	20732003/32009	Traffic Signal Maint	587,541	0	587,541	6/30/2026
25-006	20732004	Traffic Engineering	778,286	0	778,286	6/30/2026
25-007	20733001	Street Maintenance	3,407,237	0	3,407,237	6/30/2026
25-008	G0007207	Pavement Management	55,822	66,541	122,362	6/30/2026
25-009	S0025207	Street Resurfacing Program	499,005	10,974,308	11,473,313	6/30/2026
25-010	S0058207	Ave R Complete Streets	27,737	368,489	396,226	6/30/2026
25-011	S0062207	County Pavement Projects	46,963	0	46,963	6/30/2026
TOTAL			**$5,632,534**	**$11,409,337**	**$17,041,871**	

* Note with an asterisk any projects that are being carried over from a prior year allocation.

PART V

RESERVE PROJECT INFORMATION

(For **future year** streets and roads or transit capital projects only)

PROJECT NUMBER	ACCOUNT NUMBER	PROJECT DESCRIPTION	ANTICIPATED YEAR OF USE	TDA AMOUNT
		various CIP projects	FY26-27	7,390,388
		Total		**$7,390,388**

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

PART VI TRANSIT ASSURANCES
(For current year transit operations only)

Claimant: City of Palmdale Fiscal Year: 2025-2026

PLEASE INITIAL ALL APPLICABLE PARAGRAPHS PURSUANT TO WHICH THE CLAIM IS BEING SUBMITTED.

Initial

1. **90-DAY ANNUAL REPORT (STATE CONTROLLER'S REPORT)** _____

Claimant certifies that is has submitted a State Controller's Report in conformance with the Uniform System of Accounts and Records, to SCAG, METRO, and the State Controller, pursuant to PUC Section 99243, for the prior year (project year minus two). Claimant assures that this report will be completed for the current fiscal year (Project year minus one), and submitted no later than 90 days after the close of the fiscal year.

2. **REVENUE RATIOS FOR NEWER URBANIZED AREA OPERATORS** _____

Claimant filing a claim pursuant to PUC Section 99268.3 certifies that it will maintain for the project year at least that ration of fare revenues and local support to operating cost which was maintained during FY 1978-79 if that ratio was greater than 20 percent; claimant further assures, for the project year, that is reasonably anticipates achieving a ratio of fare revenues to operating cost equal to or greater than 20 percent for the project year.

3. **REVENUE RATIOS FOR NEWER NON-URBANIZED AREA OPERATORS** _____

Claimant filing a claim pursuant to PUC Section 99268.4 certifies that it will maintain for the project year at least that ration of fare revenues and local support to operating cost which was maintained during FY 1978-79 if that ratio was greater than 10 percent; claimant further assures, for the project year, that is reasonably anticipates achieving a ratio of fare revenues to operating cost equal to or greater than 10 percent.

4. **REVENUE RATIOS FOR EXCLUSIVE SERVICES TO ELDERLY AND HANDICAPPED** _____

Claimant filing a claim pursuant to PUC Section 99268.5 certifies that, for the purpose of the claim, it provides services using vehicles for the exclusive use of elderly and handicapped persons.

Initial

5. **CHP CERTIFICATION** _____

Claimant filing a claim for Local Transportation Funds has included in the claim a certification completed within the last 13 months by the California Highway Patrol indicating compliance with Vehicle Code Section 1808.1, indicating that the operator has participated in a "pull notice system" to examine driver's records, as specified in PUC Sec. 99251.

6. **REDUCED TRANSIT FARES** _____

Claimants of TDA funds who offer reduced fares to senior citizens certify that: (a) The Federal Medicare Identification Card is sufficient identification to receive senior citizen reduced fares is such fares are available; and (b) A disabled person or disabled veteran identification card issued pursuant to subdivision (d) of Vehicle Code Sections 22511.5 or 2511.9 (whichever is applicable) is sufficient identification to receive disabled person reduced fares if such reduced fares are available.

Salvador Mendez

_____ _____

(Legal name of Applicant/Claimant) (Authorizing Signature/Date)

Salvador Mendez, City Manager

_____

(Print Name & Title)

AMENDMENT REQUEST AND YEAR-END RESERVE FORM *

CONTACT PERSON: PHONE:

Joyce Workman, Sr. Analyst 661-267-5423

CLAIMANT/DISBURSEMENT RECIPIENT:

City of Palmdale

ADDRESS:

38250 Sierra Highway

Palmdale, CA 93550

AMENDMENT REQUEST:

The (agency's name) _____ wishes to amend its Transportation Development Act, Article 8 Program in the following manner:

___ Reallocate $_____ of FY _____ TDA Article 8 funds from the ___ project(s) to the _____project(s). Project information form is attached for the new project(s).

___ Reallocate $____ of unexpended carryover funds from all previous project(s) to the _____ project(s). Project information form is attached for the new project(s).

___ Revise the _____ project description, cost, or limits as shown on the attached project information form.

_X_ Other: request $7,390.388 of FY 25-26 allocation be put on reserve. Funds will be expended in FY 26-27.

* Use this form: 1) to amend a claim submitted earlier in the current fiscal year, and/or 2) to return unused funds at the end of the fiscal year.

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTIONS INITIATING THE TUESDAY, NOVEMBER 3, 2026, CITY OF PALMDALE GENERAL MUNICIPAL ELECTION: ADOPT RESOLUTION NO. CC 2026-021, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE CITY OF PALMDALE CHARTER; ADOPT RESOLUTION NO. CC 2026-022, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE; AND, ADOPT RESOLUTION NO. CC 2026-024, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-021, a Resolution of the City Council of the City of Palmdale, California, calling for the holding of a General Municipal Election to be held on Tuesday, November 3, 2026, for the election of certain officers as required by the provisions of the City of Palmdale Charter;

2. Adopt Resolution No. CC 2026-022, a Resolution of the City Council of the City of Palmdale, California, requesting the Board of Supervisors of the County of Los Angeles to consolidate a General Municipal Election to be held on Tuesday, November 3, 2026, along with the Statewide General Election to be held on the same date pursuant to Section 10403 of the Elections Code; and,

3. Adopt Resolution No. CC 2026-024, a Resolution of the City Council of the City of Palmdale, California, adopting regulations for Candidates for Elective Office pertaining to Candidate Statements submitted to the voters at the General Municipal Election to be held on Tuesday, November 3, 2026.

BACKGROUND

Palmdale's municipal elections are held pursuant to the City Charter and requirements of the laws of California Elections Code Sections 10403, 13307, and 13309.

The elections are consolidated with statewide elections in November of even-numbered years to fill expired City Council terms. The City of Palmdale consists of 5 geographical districts.

DISCUSSION

During this election cycle, the terms of Councilmembers Laura Bettencourt (District 3), Eric Ohlsen (District 4), and Andrea Alarcón (District 5) will expire.

To initiate the election, the City Council must adopt Resolutions CC 2026-021, CC 2026-022, and CC 2026-024, which call the election, consolidate it with the statewide general election, and establish regulations for candidate statements.

The City Clerk serves as the City's election official and filing officer, responsible for processing nomination papers, campaign finance disclosures, candidate statements, and other ballot materials, as well as performing all duties required by law.

The City Council authorizes the City Clerk to administer the election, and the City will reimburse the County for all reasonable and actual election costs upon receipt of a proper invoice.

Election Day -Tuesday, November 3, 2026
KEY DEADLINES

DATES	DESCRIPTIONS
July 13 through August 7 Monday – Thursday from 7:30 am - 6:00 pm Fridays are closed with the exception of August 7 from 8:00 am – 5:00 pm	**Nomination Period** Candidates to file nomination documents (E. C. §§ 10220, 10224 and 10407)
August 7 from 8:00 am – 5:00 pm	**Last day of Nomination Period** Last day for candidates to file nomination documents (E. C. §§ 10220, 10224 and 10407)
August 12 from 7:30 am – 6:00 pm	**Nomination Extension Period** If the incumbent for a district does not file, only that district's nomination period is extended by 5 days (E.C. §10225 and 10407)
October 5	Estimated date of Ballot Pamphlets mailed to Voters by LA County (E. C. § 3001(b), and 3010)

FISCAL IMPACT

$250,000; The estimated budget is subject to change based on the final invoice from the Registrar-Recorder/County Clerk. If additional funding is needed, it will be proposed through the mid-year budget process. Funds are budgeted for FY 2026-27 in the Elections account.

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.

Prepared by:	Rochelle Scott, City Clerk
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-021
Reso. No. CC 2026-022
Reso. No. CC 2026-024

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2026-021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE CITY OF PALMDALE CHARTER

WHEREAS, under the provisions of the City of Palmdale Charter, a General Municipal Election shall be held on Tuesday, November 3, 2026, for the election of Municipal Officers;

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

SECTION 1. That pursuant to the requirements of the City of Palmdale Charter, there is called and ordered to be held in the City of Palmdale, California, on Tuesday, November 3, 2026, a General Municipal Election for the purpose of electing three (3) Councilmembers elected by three (3) geographic districts established as Districts 3, 4, and 5. Councilmembers in Districts 3, 4, and 5 shall have a full four (4) year term.

SECTION 2. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 3. That the City Clerk is authorized and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk to procure and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. The vote centers and vote-by-mail drop boxes for the election shall be open as required during the identified voting period pursuant to California Elections Code Sections 4005, 10242, 14212 and 14401.

SECTION 5. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given, and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election in time, form, and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 8. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill by the County.

PASSED, APPROVED and **ADOPTED** this 5th day of May 2026.

_____
Eric Ohlsen, Mayor

Approved as to form:

_____
Alexandra Severino
City Attorney

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 5th day of May 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____

_____
Rochelle Scott, City Clerk

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2026-022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE

WHEREAS, the City Council of the City of Palmdale will call a General Municipal Election to be held in the City of Palmdale on November 3, 2026, for the election of three (3) Members of the City Council for a full term of four (4) years; and

WHEREAS, a Statewide General Election to be held in the County of Los Angeles has been called to be held on November 3, 2026; and,

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and within the City the Vote Centers and Election Officers of the two elections be the same, and that the county election department of the County of Los Angeles canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

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

SECTION 1. Pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of Los Angeles is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 3, 2026, for the election of three (3) Members of the City Council for a full term of four (4) years.

SECTION 2. The Board of Supervisors of the County of Los Angeles is hereby further respectfully requested to place upon the same ballot as that provided for and submitted to the electors of the City of Palmdale at said Statewide General Election to be held in the County of Los Angeles on Tuesday, November 3, 2026, for the purpose of electing three (3) Councilmembers representing three geographic districts established as Districts 3, 4 and 5. Councilmembers in District 3, 4, and 5 shall have a full four (4) year term.

SECTION 3. The City of Palmdale acknowledges that the consolidated election will be held and conducted according to Section 10418 of the California Elections Code.

SECTION 4. The Board of Supervisors of the County of Los Angeles is hereby authorized and respectfully requested to canvass the returns of said General Municipal Election.

SECTION 5. The Board of Supervisors of the County of Los Angeles is hereby authorized and respectfully requested to authorize and permit the Registrar-Recorder/County Clerk of the County of Los Angeles to:

a) Print and supply ballots for said City of Palmdale General Municipal Election;

b) Mail the City's sample ballots and candidate statements of qualifications to the electors of the City of Palmdale as part of the same material that will be mailed to the voters of the Statewide General Election to be held in the County of Los Angeles;

c) Perform such other services as may be required for the consolidation and conduct of said City of Palmdale General Municipal Election with said Statewide General Election to be held in the County of Los Angeles.

SECTION 6. The vote centers for the election shall be open as required during the designated voting period pursuant to California Elections Code sections 4005, 10242, 14212, and 14401.

SECTION 7. The City agrees to reimburse the County of Los Angeles in full for the services performed on behalf of the City upon the presentation of a bill by the County.

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SECTION 8. The City Clerk is hereby directed to deliver a certified copy of this resolution to the Board of Supervisors of the County of Los Angeles and to transmit an electronic copy to the Board of Supervisors and the Registrar-Recorder/County Clerk of the County of Los Angeles.

PASSED, APPROVED and **ADOPTED** this 5th day of May 2026.

_____
Eric Ohlsen
Mayor

Approved as to form:

_____
Alexandra Severino
City Attorney

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 5th day of May 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT:_____

Date: _____

_____
Rochelle Scott, City Clerk

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2026-024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement;

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

SECTION 1. GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Palmdale on Tuesday, November 3, 2026, may prepare a candidate statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate nor membership or activity in partisan political organizations. The statement shall be in typewritten form and filed with the City Clerk at the time the candidate's nomination papers are filed. Except as provided in Election Code Section 13309, the statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. FOREIGN LANGUAGE POLICY.

A. Pursuant to the Federal Voting Rights Act, candidate statements will be translated into all languages required by the County of Los Angeles. The County is required to translate candidate statements into the following languages:

   Chinese, Japanese, Spanish, Tagalog/Filipino, Vietnamese, Korean, Cambodian/Khmer, Hindi, Thai, Armenian, Farsi,

Bengali, Burmese, Gujarati, Indonesian, Mongolian, Telugu and Russian.

The County of Los Angeles will print and mail sample ballots and candidate statements in the required languages to only those voters who are on the county voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidate statements in the required languages available at vote centers, on the County's website, and in the City's Election Official's office.

SECTION 3. PAYMENT.

A. Translations:

1. The candidate shall not be required to pay for the cost, if any, of translating the candidate statements into any required foreign language as specified in (A) and/or (B) of Section 2 above pursuant to Federal and/or State law.

2. The candidate shall be required to pay for the cost of translating the candidate's statement into any foreign language that is not required as specified in (A) and/or (B) of Section 2 above, pursuant to Federal and/or State law, but is requested as an option by the candidate.

B. Printing:

1. The candidate shall be required to pay for the cost of printing the candidate statements in English in the main voter pamphlet.

2. The candidate shall be required to pay for the cost of printing the candidate's statement in the Spanish language required in Section 2 above, in the main voter pamphlet.

The City Clerk shall provide the estimate of the total cost of printing, handling, translating, and mailing the candidate statements filed pursuant to this section, including costs incurred as a result of complying with the Federal Voting Rights Act and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements.

Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

SECTION 4. MISCELLANEOUS.

A) All translations of candidate statements shall be provided by professionally-certified translators.

B) The City Clerk shall follow the guidelines as prepared by the Los Angeles County Clerk and these guidelines will be presented to each candidate to the same extent and manner as allowed in previous City elections.

C) The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 5. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. That the City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nomination papers are issued.

SECTION 7. That all previous resolutions establishing Council policy on payment for candidate statements are repealed.

SECTION 8. That this resolution shall apply only to the election to be held on Tuesday, November 3, 2026, and shall then be repealed.

SECTION 9. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and **ADOPTED** this 5th day of May 2026.

_____
Eric Ohlsen, Mayor

Approved as to form:

_____
Alexandra Severino
City Attorney

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, Acting 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 5th day of May, 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____

_____
Rochelle Scott, City Clerk

MINUTES
CITY COUNCIL/SA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
APRIL 7, 2026

www.cityofpalmdaleca.gov

1) CALL MEETING TO ORDER

Mayor Ohlsen called the meeting to order at 5:01 pm.

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

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

PRESENT: Eric Ohlsen, Austin Bishop, Laura Bettencourt, Andrea Alarcón.
ABSENT: Richard Loa.

Motion: Excuse the absence of Councilmember Loa.
Moved by Laura Bettencourt, seconded by Eric Ohlsen.

Vote: Motion carried (4-0)
Yes: Eric Ohlsen, Austin Bishop, Laura Bettencourt, Andrea Alarcón.
Absent: Richard J. Loa.

3) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

Mayor Ohlsen led the Pledge of Allegiance, followed by a moment of silence for the troops.

4) PRESENTATIONS

4.1) Proclamation to Edwards Air Force Base declaring April the month of the Military Child.

Chief Master Sergeant Christopher Stallsmith provided further information on the Month of the Military Child observance. Council presented the proclamation.

4.2) AV Wall presentation to the City of Palmdale for supporting veterans in the Antelope Valley.

Stacia Nemeth and Linda Willis, former AV Wall representatives, presented a plaque to Council and Parks and Recreation.

Councilmember Alarcón called for the inclusion of an additional dedicated personnel member to serve as a direct point of contact for veterans who need support and to research and identify funding sources to bring resources to our veterans. She requested that it be added to a forthcoming agenda and/or included in the budget. There was Council consensus.

Councilmember Bettencourt thanked Stacia, Linda, and the entire team that put together the AV Wall.

5) NON-AGENDA PUBLIC COMMENTS

The following individuals provided public comments: Eugene Hernandez requested a new code of conduct for Council, discussed AV Edge, and rent control. Councilmember Alarcón announced she volunteered at a local event that provided eviction protection resources. Jason Zink requested additional meetings for community input, discussed super commuters, and aerospace-inspired murals. Mark Maldonado suggested town hall meetings and discussed the 11.25% tax increase. Rich Gallego requested an at-large mayor and town hall meetings, and a report on the reduction of the 11.25% tax increase. Marsha Furman spoke on the placement of non-agenda comments. Jerry Velock spoke on the Carpenters Union and participation from City representatives and the public. Roger Soderstedt spoke about Arnie Quinones Park, Chimbole Center, Courson Park, and potholes.

Mayor Ohlsen moved to have item 8.1 heard at this time. He also called for a recess from 6:01 pm - 6:09 pm.

Assistant City Manager Gallagher removed items 6.9 and 7.1 from the agenda to be heard at a later date and continued item 9.1 to May 5, 2026.

6) CONSENT CALENDAR

The following individuals provided public comments: Jason Zink discussed items 6.7 and 6.8.

Mayor Ohlsen closed the public comments for the Consent Calendar.

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 February 2026.

6.3) Approve agreement with Dell Inc., for Microsoft Azure Cloud Services for a three year term.

6.4) Approve the Certificate of Completion between the City of Palmdale and Delta Scientific Corporation as required by Agreement No. A-0155 for the development of two industrial buildings located on the southwest corner of Avenue O and Delta Lane (APN’s 3005-046-016 and -017).

6.5) Adopt Resolution No. CC 2026-005, a Resolution of the City Council of the City of Palmdale affirming CEQA exemption and authorizing a multi-year citywide right-of-way maintenance and rehabilitation program from Fiscal Year 2025-26 to Fiscal Year 2030-31.

6.6) Adopt Resolution No. CC 2026-006, a Resolution of the City Council of the City of Palmdale directing the 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 2026-27 for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02.

6.7) Adopt Resolution No. CC 2026-007, a Resolution of the City Council of the City of Palmdale directing the preparation of the annual Engineer's Reports for the continuation of the annual Levy of Assessments and designating the Engineer of Work for Fiscal Year 2026-27 for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations.

6.8) Approve Second Amendment to Agreement with Psomas for design services for PN 796, 45th East Sewer, Storm Drain, and Street Improvement Project, increasing the amount by $54,625, for a total not to exceed contract amount of $362,365, and extending the contract term to June 30, 2026.

6.9) Approve agreement with Willdan Engineering for Construction Management and Observation Services for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project, for a total not to exceed amount of $877,189 for a term of 251 working days from the date of the Notice to Proceed.

Item 6.9 was removed from the agenda and will be revisited at a later date.

6.10) Approve agreement with Greenfield Landscaping and Maintenance, Inc., for turf removal and replacement services at Marie Kerr Park for a total not to exceed amount of $154,880 for a term of six months.

6.11) Approve Change Order No. 3 & 4 in the amount of $29,860 for PN 887, Marie Kerr Park Best of the West Softball Complex Concession Stand project.

6.12) Accept Notice of Completion (NOC) for PN 918, 2025 Summer Arterial Overlay Project.

6.13) Approve the minutes from the previous meeting.

Motion: Approve all items on the consent calendar with the exception of item 6.9.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (4-0-1)
Yes: Eric Ohlsen, Austin Bishop, Laura Bettencourt, Andrea Alarcón

Absent: Richard J. Loa

7) APPOINTMENTS

7.1) Nominate and appoint one public member to the Palmdale Enhanced Infrastructure Financing District (EIFD) Public Financing Authority (PFA) to serve the remainder of a two-year term set to expire June 30, 2027.

Item 7.1 was removed from the agenda to be returned at a later date

8) NEW BUSINESS

8.1) Adopt Resolution No. CC 2026-017, a Resolution of the City Council of the City of Palmdale, establishing a new employee bargaining unit, the Public Works Maintenance Division Supervisory and Confidential Unit, and recognition of Teamsters Union Local 986 as their exclusive representative.

City Clerk Scott read the title of Resolution No. CC 2026-017.

Human Resources Director Barrios presented the staff report.

The following individuals provided public comments: Evan Armstrong, Paul Wood, Adam Dyer, Steven Montenegro expressed support for the proposed resolution. Jason Zink expressed opposition. Mark Maldonado spoke in support.

Council expressed its appreciation for Public Works staff and support for the proposed resolution.

Motion: Adopt Resolution No. CC 2026-017
Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Eric Ohlsen, Austin Bishop, Laura Bettencourt, Andrea Alarcón.
Absent: Richard J. Loa.

9) PUBLIC HEARING

9.1) Adopt Ordinance No. 1667, an Ordinance of the City Council of the City of Palmdale approving Zoning Ordinance Amendment 26-0002 to modify requirements related to Accessory Dwelling Units and Junior Accessory Dwelling Units to ensure compliance with state law and find the amendment is exempt from environmental review.

Item 9.1 was continued to the next scheduled meeting on May 5, 2026.

10) CITY MANAGER'S REPORT

Assistant City Manager Gallagher provided an update on several upcoming events,

including West Coast Classical's Spring Fling at the Palmdale Playhouse on April 11; a Neighborhood Watch event for District 2 at Marie Kerr Park on April 14; a Homeboy Electronics Recycling event at the Palmdale Transportation Center on April 18; and the Darien Wheat Child Abuse Walk at Desert Sands Park on April 25. She announced that the City is seeking community input for a drive-in theater at Marie Kerr Park; the farmer's market will return at a new location, Sam Yellen Park, every Friday from May 1 to September 25; and that 2026 DryTown season passes are now available through May 22.

11) SHERIFF'S REPORT

The following individuals provided public input: Eugene Hernandez discussed an incident at his residence and concerns about Sheriff's Department accountability.

Captain Bardon addressed Mr. Hernandez's complaint and shared the Sheriff's Department's commitment to community outreach.

Captain Bardon provided an update on March response times for routine calls for service, Part 1 Crimes, gang-related shootings, arrests, firearms recovered, graffiti, collisions, and citations. He reported collaboration with City leaders regarding issues at the AV Mall and announced the upcoming Interfaith Prayer Breakfast on April 23.

Councilmember Alarcón commended the Sheriff's department for meeting their response time goals and requested a report on domestic violence statistics.

12) COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Alarcón followed up on her request for a designated staff member or liaison for veterans and expressed interest in forming an internal team. She also requested a report or presentation on the status of the Multi-Agency Regional Resilience Center (MARRC) and the protocol for residents to access during an emergency.

Mayor Ohlsen requested additional information on the feasibility of a veteran liaison, as well as an updated breakdown of the Veteran Emergency Needs Fund.

Councilmember Bettencourt reported attending a performance of Frozen at the Palmdale Playhouse and the National League of Cities Summit.

Mayor Pro Tem Bishop reported attending Spring Fest, presenting at AV Edge, and highlighted the City's street repaving efforts.

Councilmember Alarcón requested a presentation at the next meeting regarding the 250th anniversary of the United States.

Councilmember Bettencourt offered to assemble a volunteer team to decorate and coordinate an event for the 250th anniversary and expressed appreciation for the returfing at Marie Kerr Park.

Mayor Ohlsen reported attending the summit in Washington, D.C., where he discussed roads, grade separation, super commuters, high-speed rail, and related funding.

Councilmember Alarcón mentioned that an invitation was extended to the Department of Transportation to come visit the City of Palmdale.

13) CLOSED SESSION

PRESENTATION BY CITY ATTORNEY

Public comments: Jason Zink spoke on item 13.2.

City Attorney confirmed the items listed.

13.1) CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Salvador Mendez, City Manager, Linda Daube, Special Counsel, Janelle Samson, Deputy City Manager, and Yvette Barrios, Director of Human Resources
Employee organization: Teamsters Local 986
This closed session is being held pursuant to the authority of California Government Code Section 54957.6.

13.2) CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Vacant land located at the southeast corner of State Route (SR) 14 and Palmdale Boulevard (APN's 3009-026-004, -005, -011, and -012)
Agency Negotiation: Salvador Mendez, City Manager, Megan Taggart, Director of Economic and Community Development, Alexandra Severino, City Attorney, and Janelle Samson, Deputy City Manager
Negotiating Parties: Belldale, LLC and City of Palmdale
Under Negotiation: Price and Terms of Payment
This closed session is being held pursuant to the authority of California Government Code Section 54956.8.

13.3) PUBLIC EMPLOYMENT
Title: City Attorney Recruitment
This closed session is being held pursuant to the authority of California Government Code Section 54957.

14) ANNOUNCEMENT BY CITY ATTORNEY

Closed Session was held from 6:41 pm - 7:55 pm.

City Attorney Severino announced the following:

13.1 – There was no reportable action

13.2 – There was no reportable action

13.3 – There was no reportable action

15) ADJOURN

Mayor Ohlsen adjourned the meeting in honor of Victor Zepeda at 8:00 p.m. to May 5, 2026, 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 20th day of April 2026.

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC & COMMUNITY DEVELOPMENT DEPARTMENT**
HOUSING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-027, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING THE FISCAL YEAR 2026-2027 ANNUAL ACTION PLAN FOR USE OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME ENTITLEMENT FUNDS (HOME)**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive public comments on the draft Annual Action Plan (AAP) for FY 2026-27;

2. Adopt Resolution No. CC 2026-027, approving the FY 2026-2027 AAP as amended;

3. Authorize the City Manager or his designee to make any requested changes to the draft AAP and submit the document to the U.S. Department of Housing and Urban Development (HUD); and,

4. Authorize the City Manager or his designee to execute documents related to the submission of the AAP and enter into agreements with eligible subrecipients in a form acceptable to the City Attorney.

BACKGROUND

Each year, the City prepares an AAP in connection with the five-year Consolidated Plan, which details how the City will spend its allocated CDBG and HOME funds. This FY 2026-27 AAP is the second year of the five-year Consolidated Plan cycle, adopted on May 6, 2025.

The 2025-2029 Consolidated Plan established the following funding priorities for the CDBG and HOME programs:

- Expand access to affordable housing;
- Improve public facilities and infrastructure;
- Provide access to fair housing services;
- Provide public services for residents, including those with special needs;
- Foster economic opportunity; and,
- Planning and administration.

The AAP is a federally mandated document in a prescribed format that covers HUD program activities during the upcoming fiscal year (beginning July 1, 2026, and ending June 30, 2027). In compliance with the City's Citizen Participation Plan, a 30-day public comment period on the draft AAP began on April 3, 2026, and concludes on May 5, 2026.

The AAP has two principal purposes:

- To identify the projects and programs to be undertaken during the upcoming fiscal year, and the proposed objective and outcomes to be achieved within the overall context of the five-year consolidated plan; and,
- To act as the City's application process for federal formula grants, comprised of the CDBG and HOME programs.

On December 12, 2025, a legal notice of funding availability was published in the Antelope Valley Press, and notification was sent to non-profit organizations and City departments to inform prospective applicants of the availability of CDBG and HOME funds for FY 2026-2027. Applications were due January 20, 2026. The City's screening committee reviews all applications for eligibility, solicits additional necessary information from applicants, and makes funding recommendations that align with the priorities and objectives outlined in the Consolidated Plan.

DISCUSSION

For FY 2026-2027 the City anticipates receiving $1,441,242 in CDBG funds and $488,175.43 in HOME funds. Additionally, the City anticipates $2,589,705.77 in available unallocated HOME funds to carry over into the new program year. A breakdown of FY 2026-27 CDBG and HOME funding recommendation and allocations levels is provided in the tables below:

GRANT	AVAILABLE FUNDS (Revenue)	CARRYOVER	TOTAL
CDBG	$1,441,242.00		$1,441,242.00
HOME	$488,175.43	$2,589,705.77	$3,077,881.20

TOTAL	**$1,929,417.43**	**$2,589,705.77**	**$4,519,123.20**
PROGRAM / CATEGORY (Expenditure)	**CDBG**	**HOME**	**TOTAL**
Capital Projects	$976,994.00	$2,479,000.00	$3,455,994.00
Public Services	$176,000.00		$176,000.00
Fair Housing Services	$40,000.00		$40,000.00
CHDO		$73,226.31	$73,226.31
Tenant-Based Rental Assistance (TBRA)		$250,000.00	$250,000.00
Future Affordable Housing		$226,837.35	$226,837.35
Administration	$248,248.00	$48,817.54	$297,065.54
Total	**$1,441,242.00**	**$3,077,881.20**	**$4,519,123.20**

CDBG Funds

Federal regulations allow the City to designate up to 15% of the CDBG allocation for Public Service programs. The maximum amount of funds available for Public Service Programs is $216,186.30. The Screening Committee recommends programming $176,000 between two public service applications. HUD mandates that all jurisdictions provide fair housing services, which include fair housing education, monitoring claims of discrimination, and enforcing fair housing laws in the courts. The City meets this mandate through the allocation of CDBG funding to the Housing Rights Center (HRC).

The Community Development Block Grant (CDBG) Capital Project funds available for public facilities and infrastructure improvements total $976,994. One application was originally received from the Public Works Department requesting $1,000,000 for citywide accessibility upgrades. While staff initially recommended allocating all available funds to this project, new information has been presented for consideration following the release of the Draft Annual Action Plan (AAP) for public comment.

Staff therefore requests that the City Council consider and approve the Draft AAP as amended to reprogram these funds toward the initial phase of a new City-owned facility that will house the SAVES program, which provides emergency food, essential goods, and supportive services to very low-income residents. Due to a funding gap identified in the project, this reallocation will support the acquisition and installation of a prefabricated building on the project site, allowing the City to expedite project implementation.

This approach provides two key benefits: (1) it enables the City to move quickly in expending CDBG funds, thereby supporting compliance with HUD timeliness requirements, and (2) it advances a high-priority public facility project that directly serves low- and very low-income households by addressing immediate community needs.

A breakdown of FY 2026-27CDBG funding allocations and categories is provided below:

CATEGORY	FUNDING AMOUNT
Administration (20% Cap = $288,248)	
Fair Housing	$ 40,000
Program Administration	$248,248
Administration Total	**$288,248**
Public Services (15% Cap = $216,186)	
AV Foster Friends	$ 81,000
American Dream Housing Counseling	$ 95,000
Public Services Total	**$176,000**
Non-Public Services	
Public Facilities Development - SAVES	$976,994
Non-Public Services Total	**$976,994**
TOTAL CDBG FUNDING ALLOCATION	**$1,441,242**

HOME Funds

Federal regulations allow the City to designate up to 10% for planning and administration and require that the City direct at least 15% to affordable housing that is owned, developed, or sponsored by experienced, community-based nonprofit groups, designed as Community Housing Development Organizations (CHDO). The available funding for HOME is $2,479,000. Two applications were received: one for the development of eight for-rent townhomes by Forward Bound Affordable Housing, and one for the development of 73 apartments by Linc Housing. The remaining funding is recommended for future affordable housing development. A breakdown of FY 2026-27 HOME funding allocations is provided below:

CATEGORY	FUNDING AMOUNT
Administration (10% cap)	$ 48,817.54
CHDO Set Aside (15% cap)	$ 73,226.31
Forward Bound Affordable Housing: Fin and Feather Townhomes	$ 679,500.00
Linc Housing – Transit Village	$1,799,500.00
Tenant Based Rental Assistance (TBRA)	$ 250,000.00
Future Affordable Housing Set Aside	$ 226,837.35
TOTAL PROPOSED PROGRAMMED FUNDS - FY 2026-27	**$3,077,881.20**

The City Council may choose to modify any of the funding recommendations for CDBG Public Service, CDBG Capital Improvement projects, and HOME Capital projects within the aggregate funding limits outlined in this report.

FISCAL IMPACT

$4,519,123.20; Funding consists of $1,441,242 in new CDBG fund allocation, $488,175.43 in new HOME fund allocation, and $2,589,705.77 HOME carryover funds. Approval of the FY 2026–27 AAP will have non-substantive impacts to the General Fund through legal costs associated with preparing contractual agreements between the City and funding recipients.

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

Prepared by:	Megan Taggart, Director of Economic & Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Resolution No. CC 2026-027

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-027

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, APPROVING THE FISCAL YEAR 2026-2027 ANNUAL ACTION PLAN FOR USE OF COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME ENTITLEMENT FUNDS

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires all jurisdictions that receive federal entitlement funds to prepare an Annual Action Plan (AAP) that identifies the projects to be funded with Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME); and

WHEREAS, the City of Palmdale (City) prepared and submitted a Five-Year Consolidated Plan, which contained an Action Plan, to HUD for the City covering the period of July 1, 2025, to June 30, 2030; and

WHEREAS, the purpose of the Consolidated Plan and the AAP is to identify housing and community development needs and to develop specific goals and objectives to address those needs over a five-year period and is a requirement of HUD that the City must meet in order for the City to continue to receive federal housing and community development funds; and

WHEREAS, the AAP constitutes an application to HUD for Fiscal Year (FY) 2026-2027 federal funds from the CDBG and HOME programs; and

WHEREAS, the City has prepared an AAP for FY 2026-2027 and published a notice of availability and a notice of public hearing of the AAP for FY 2026-2027 on April 3, 2026, scheduling this matter for final public comment and City Council consideration for May 5, 2026; and

WHEREAS, Notice of the availability of the draft AAP was posted at the public counters of the Economic & Community Development Department, City Library, City Administration Building and the Council Chambers. In addition, the notice was posted on the City's website for the required 30-day public review period; and

WHEREAS, on May 5, 2026, the City Council conducted a duly noticed public hearing to hear public comment on the AAP for FY 2026-2027 and received final public comment on the AAP.

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 does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council does hereby approve the FY 2026-2027 AAP attached hereto as Exhibit A.

SECTION 3. The City Manager, or his designee, is authorized to make any requested changes to the draft AAP and submit the document to the appropriate HUD office on behalf of the City and to promulgate and implement administrative policies and procedures needed to effectuate the AAP.

SECTION 4. The City Manager or his designee is hereby authorized to execute documents related to the submission of the AAP and enter into agreements with eligible subrecipients in a form acceptable to the City Attorney.

SECTION 5. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 5th day of May, 2026.

Approved as to form:

Eric Ohlsen, Mayor

ATTEST:

Alexandra Severino
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 5th day of May, 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____

Rochelle Scott, City Clerk

Exhibit A

CITY OF PALMDALE

FISCAL YEAR 2026-2027 ANNUAL ACTION PLAN

DRAFT

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AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

The City of Palmdale has prepared the 2026-2027 Annual Action Plan as required to receive federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. The Action Plan provides the United States Department of Housing and Urban Development (HUD) with a summary of the proposed activities to be carried out with CDBG and HOME resources.

The CDBG and HOME programs support a wide range of eligible activities for the benefit of low- and moderate-income Palmdale residents.

Community Development Block Grant (CDBG)

The Housing and Community Development Act of 1974 created the CDBG Program with three primary objectives against which HUD evaluates the Consolidated Plan and the City's performance under the Plan. Those primary objectives are decent housing, suitable living environments, and expanded economic opportunities for low- and moderate-income persons. The CDBG regulations require that each activity meets one of the following national objectives:

- Benefit low- and moderate-income persons;
- Aid in the prevention or elimination of slums and blight; or
- Meet other community development needs having a particular urgency (usually the result of a natural disaster).

Each year, the City certifies with the submission of its Annual Action Plan that it has given maximum feasible priority to activities which meet the first and second objectives above. Additionally, the City certifies that no less than 70 percent of the CDBG funds received, over a three-year certification period, will benefit low- and moderate-income persons.

HOME Investment Partnerships (HOME)

The Cranston-Gonzalez National Affordable Housing Act of 1990 created the HOME program to expand the supply of affordable housing for low- and moderate-income households. Often used in partnership with local nonprofit housing development organizations, the HOME program can support a wide range of affordable housing

activities, including building, buying, and/or rehabilitating rental and ownership housing or providing direct rental assistance to low- and moderate-income people.

Anticipated Funding Allocations from HUD

HUD has not yet announced the final formula grant allocations of CDBG and HOME funds the City will receive for the 2026-2027 Program Year. Therefore, to facilitate the citizen participation process, ensure timely adoption and submission of the Action Plan, and preserve the ability of the City of Palmdale to start its 2026-2027 Program Year on July 1, 2026, the project and activity funding levels reflected in this Action Plan are based on the 2025-2026 HUD grant allocation levels of $1,407,911 of CDBG funds and $478,372 of HOME funds. In addition, $2,768,654 of unprogrammed prior year HOME funds. This Action Plan allocates a total of $4,654,936 for the CDBG and HOME activities listed below.

2026-27 CDBG Activities

AV Foster Friends (Public Services)	$81,000
American Dream Housing Counseling (Public Services)	$95,000
Public Facility Development Project - SAVES	$976,994
Fair Housing Services (Admin)	$40,000
CDBG Program Administration	$248,248
Total	**$1,441,242**

2026-27 HOME Activities

Forward Bound Affordable Housing: Fin and Feather Townhomes	$679,500
Linc Housing – Transit Village	$1,799,500
Affordable Rental Housing Development (CHDO set aside)	$73,226.31
Tenant Based Rental Assistance (TBRA)	$250,000
Future Affordable Housing Set Aside	$226,837.35
HOME Program Administration	$48,817.54
Total	**$3,077,881.20**

Funding Adjustment to Projects/Activities Should HUD Modify Allocation

The City Council will authorize the City Manager or his designee to proportionately increase or decrease the project and activity funding allocations of the Annual Action Plan to conform with the final allocation amounts announced by HUD, prior year CDBG and HOME resources, and all statutory caps including those for administration and public services. The final Action Plan containing the final funding allocations to projects and activities will be posted at:
https://www.cityofpalmdaleca.gov/302/CDBG-HOME-Grants.

Summary of the objectives and outcomes identified in the Plan

The 2026-2027 Annual Action Plan addresses the priority needs and goals established in the FY 2025-29 Consolidated Plan. The six priority needs listed below are established as part of this Plan:

- Expand access to affordable housing
- Improve public facilities and infrastructure
- Provide access to fair housing services
- Provide public services for residents, including those with special needs
- Foster economic opportunity
- Planning and administration

Consistent with HUD's national goals for the CDBG and HOME programs to provide decent housing opportunities, maintain a suitable living environment and expand economic opportunities for low- and moderate-income residents, the priority needs listed above will be addressed over the next five years through the implementation of CDBG and HOME funded activities aligned with the Consolidated Plan's Strategic Plan goals.

Evaluation of past performance

The investment of HUD resources during the 2025 Program Year resulted in measurable accomplishments that contributed to positive outcomes for Palmdale residents. Together with other federal, state and local investments, HUD resources allowed the City of Palmdale and its partners to provide:

- Fair housing services to Palmdale residents
- Homelessness prevention and assistance
- Tenant-based rental assistance to extremely low-income seniors
- Improve sidewalks and other neighborhood infrastructure to create a more suitable living environment
- Provide public services to low- and moderate-income residents

Summary of Citizen Participation Process and consultation process

A public notice was published in the Antelope Valley Press on April 4, 2026, to inform residents that the Draft 2026-2027 Action Plan was available for review and comments. Citizens were advised that copies of the aforementioned documents were available for review on the City's website from April 3, 2026, to May 5, 2026, and the documents would be available in hardcopy format at the City Clerk's office.

The public notice invited citizens to provide written comments before 2:00 p.m. on May 5, 2026, and also during the public hearing on May 5, 2026. The public notice also invited citizens submit comments in advance of the meeting.

Summary of public comments

Refer to Appendix A for a summary of public comments received during the citizen participation process for the 2026-2027 Action Plan.

Summary of comments or views not accepted and the reasons for not accepting them

All comments and views received by the City in the development of the Action Plan were accepted and considered in the identification and selection of activities to address Consolidated Plan goals.

PR-05 Lead & Responsible Agencies – 91.200(b)

The following entities are responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
CDBG Administrator	City of Palmdale	Economic & Community Development Department, Housing Division
HOME Administrator	City of Palmdale	Economic & Community Development Department, Housing Division

Narrative

The 2026-2027 Action Plan was prepared by LDM Associates, Inc. under contract to the City of Palmdale Economic & Community Development Department. The Housing Division of the Economic &Community Development Department is the lead agency responsible for the administration of the CDBG and HOME programs.

In the implementation of the 2026-2027 Annual Action Plan, the Department of Economic & Community Development shall be responsible for all grants planning, management and monitoring duties necessary to comply with HUD regulations and City policy.

Public Contact Information

Department of Economic & Community Development / Housing Division
Attn: Henry Hernandez, Analyst I
38250 Sierra Highway, 2nd Floor
Palmdale, CA 93550
(661) 267-5548
https://www.cityofpalmdaleca.gov/302/CDBG-HOME-Grants

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

Introduction

The City of Palmdale consulted with representatives from multiple agencies, groups, and organizations involved in the development of affordable housing, creation of job opportunities for low- and moderate-income residents, and/or provision of services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons. To facilitate this consultation, the City solicited feedback through the following methods:

- Stakeholder surveys
- Individual stakeholder consultations
- Community meetings
- Public hearings
- Receipt of written comments

To gather the greatest breadth and depth of information, the City consulted with a wide variety of agencies, groups and organizations concerning the housing, community and economic development needs of the community as part of the Consolidated Plan process. Each of the agencies, groups or organizations consulted is represented below. The input received from these consultation partners helped establish and inform the objectives and goals described in the Strategic Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City recognizes the importance of careful coordination and alignment among various service providers to maximize the effectiveness of the CDBG and HOME programs. As a result, during the development of its Consolidated Plan, the City consulted closely with organizations that provide assisted housing, health services and other community-focused programs. Outreach efforts included surveys including specific questions associated with coordination, invitations to community meetings and follow-up in-person interviews where appropriate.

The City further recognizes the importance of continued coordination and alignment with these organizations and agencies. The City will strengthen relationships and alignment among these organizations in the implementation of the CDBG and HOME funded activities and through technical assistance provided to subrecipients of CDBG and HOME funds.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

Los Angeles County's homeless system of care is comprised of a network of public, private, faith-based, for-profit, and non-profit service providers who utilize several federal, state and local resources to provide services for homeless people. The region's municipalities, including the City of Palmdale, also provide resources for services that assist the homeless and those at risk of becoming homeless. The County's non-profit community plays a key role in the current Continuum of Care (CoC) system. Hundreds of agencies throughout the County provide programs ranging from feeding the homeless on the street to creating permanent supportive housing opportunities. These services are available to homeless families with children, and single men and women.

The Los Angeles Homeless Services Authority (LAHSA) is the lead agency for the CoC in Los Angeles County. LAHSA guides the development of homeless strategies and the implementation of programs to end homelessness throughout the region. The City provided a detailed questionnaire to LAHSA to identify the CoC's perceived needs in the county and its objectives to address the needs of different homeless persons populations, specifically chronically homeless families and individuals, families with children, veterans, unaccompanied youth, and persons at risk of homelessness. Following the delivery and response to this questionnaire, the City followed up with the CoC to clarify existing needs and objectives and understand opportunities for collaboration and coordination during the 5-year planning process.

Coordination to address homelessness — including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth — is guided by the CoC. All service providers within the CoC can refer people with varying needs to the appropriate service provider(s) in their area.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Palmdale does not receive Emergency Solutions Grant (ESG) funds, but will continue to support the efforts of LAHSA and the County of Los Angeles in their

development of performance standards for the County's ESG program that provide a measure to evaluate each subrecipients' effectiveness, such as how well the service provider succeeds at 1) targeting those who need the assistance most; 2) reducing the number of people living on the streets or emergency shelters; 3) shortening the time people spend homeless; and 4) reducing each program participant's housing barriers or housing stability risks.

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 1 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	Los Angeles County Child Protective Services
	Agency/Group/Organization Type	Services-Children Child Welfare Agency Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
2	**Agency/Group/Organization**	Los Angeles County Health Department
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
3	**Agency/Group/Organization**	AMCAL MULTI-HOUSING, INC.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input

	consultation or areas for improved coordination?	concerning the topics highlighted above from this stakeholder.
4	**Agency/Group/Organization**	META HOUSING CORPORATION
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
5	**Agency/Group/Organization**	National Community Renaissance Dev Corp
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
6	**Agency/Group/Organization**	The Michaels Organization
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
7	**Agency/Group/Organization**	Americas Job Center
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
8	**Agency/Group/Organization**	Advancing Communities Together Inc.
	Agency/Group/Organization Type	Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
9	**Agency/Group/Organization**	AHF Healthcare Center â¿¿ Antelope Valley
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
10	**Agency/Group/Organization**	Federal Emergency Management Agency (FEMA)
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Emergency Management
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
11	**Agency/Group/Organization**	City of Palmdale Information Technology
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
12	**Agency/Group/Organization**	Los Angeles County Development Authority
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting; Conference Calls - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
13	**Agency/Group/Organization**	Housing Authority of the City of Palmdale
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting; Conference Calls - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
14	**Agency/Group/Organization**	Hispanic Chamber
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
15	**Agency/Group/Organization**	California Department of Technology
	Agency/Group/Organization Type	Broadband Advocates
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
16	**Agency/Group/Organization**	HighSpeedInternet.com
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input

	consultation or areas for improved coordination?	concerning the topics highlighted above from this stakeholder.
17	**Agency/Group/Organization**	CHILDRENS BUREAU
	Agency/Group/Organization Type	Services-Children Foster Care Agency/Facility
	What section of the Plan was addressed by Consultation?	Public services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
18	**Agency/Group/Organization**	Kaiser Permanente
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
19	**Agency/Group/Organization**	Antelope Valley Domestic Violence Council dba Valley Oasis
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
20	**Agency/Group/Organization**	PENNY LANE CENTERS
	Agency/Group/Organization Type	Services - unaccompanied youth
	What section of the Plan was addressed by Consultation?	Market Analysis needs assessment
	Briefly describe how the Agency/Group/Organization was consulted.	Survey - This consultation provided the stakeholder an opportunity to actively participate

	What are the anticipated outcomes of the consultation or areas for improved coordination?	in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
21	**Agency/Group/Organization**	Vets4Veterans
	Agency/Group/Organization Type	Services-Homeless Veterans
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans Market Analysis Needs Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
22	**Agency/Group/Organization**	Desert Haven Enterprises
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Market Analysis Needs Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
23	**Agency/Group/Organization**	Palmdale Chamber
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
24	**Agency/Group/Organization**	Palmdale School District
	Agency/Group/Organization Type	Services-Children Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input

	consultation or areas for improved coordination?	concerning the topics highlighted above from this stakeholder.
25	**Agency/Group/Organization**	Antelope Valley Union High School District
	Agency/Group/Organization Type	Services-Children Services-Education
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
26	**Agency/Group/Organization**	L.A. County Board of Supervisors District 5
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
27	**Agency/Group/Organization**	Legacy Commons (City of Palmdale)
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
28	**Agency/Group/Organization**	City of Palmdale Economic & Community Development
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Conference Calls; In-Person Meetings - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

29	**Agency/Group/Organization**	Mental Health America, Antelope Valley
	Agency/Group/Organization Type	Services-homeless Mental Health Agency/Facility
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans Homelessness Strategy Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
30	**Agency/Group/Organization**	HOUSING RIGHTS CENTER
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Market Analysis Needs Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meetings - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
31	**Agency/Group/Organization**	Antelope Valley Community Clinic
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	needs assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey- This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
32	**Agency/Group/Organization**	Palmdale Regional Medical Center
	Agency/Group/Organization Type	Health Agency
	What section of the Plan was addressed by Consultation?	Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

33	**Agency/Group/Organization**	SOUTH ANTELOPE VALLEY EMERGENCY SERVICES (SAVES)
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meetings - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
34	**Agency/Group/Organization**	Los Angeles County Regional Broadband Consortium
	Agency/Group/Organization Type	broadband advocates
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
35	**Agency/Group/Organization**	Los Angeles Homeless Services Authority (LAHSA)
	Agency/Group/Organization Type	Continuum of care--Information and referral
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Conference Calls - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
36	**Agency/Group/Organization**	North LA County Regional Center
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Market Analysis needs assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
37	**Agency/Group/Organization**	Victory Outreach
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
38	**Agency/Group/Organization**	Homeless Solutions Access Center
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
39	**Agency/Group/Organization**	NEIGHBORHOOD LEGAL SERVICES OF LOS ANGELES COUNTY
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meetings - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
40	**Agency/Group/Organization**	Salvation Army-Palmdale
	Agency/Group/Organization Type	Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meetings - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
41	**Agency/Group/Organization**	Westside Union School District
	Agency/Group/Organization Type	Services-Children Services-Education
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
42	**Agency/Group/Organization**	City of Palmdale (Development Services)
	Agency/Group/Organization Type	Other government - Local Planning organization
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
43	**Agency/Group/Organization**	City of Palmdale (Neighborhood Services)
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis needs assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
44	**Agency/Group/Organization**	City of Palmdale (Public Works)
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis need assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
45	**Agency/Group/Organization**	City of Palmdale (Recreation and Culture)
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis needs assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey; In-Person Meeting - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
46	**Agency/Group/Organization**	The Trust for Public Land
	Agency/Group/Organization Type	Public Land Agency
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
47	**Agency/Group/Organization**	Southern California Association of Governments
	Agency/Group/Organization Type	Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
48	**Agency/Group/Organization**	State Assembly 36th District
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Market Analysis Needs Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

49	**Agency/Group/Organization**	State Senate 21st Senate District
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Survey - This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
50	**Agency/Group/Organization**	U.S. Department of Housing and Urban Development
	Agency/Group/Organization Type	Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted with HUD concerning Consolidated Plan, CDBG, and HOME requirements.
51	**Agency/Group/Organization**	City of Palmdale City Council
	Agency/Group/Organization Type	Other government - Local Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis

		Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting; Public Hearings for the Consolidated Plan

Identify any Agency Types not consulted and provide rationale for not consulting

The City maintains a list of agencies, organizations and other stakeholders that have expressed an interest in City's CDBG and HOME programs and invited representatives from each entity to participate at multiple points in the planning process. All agencies were strongly encouraged to attend meetings and participate in surveys. Any agency or organization that was not consulted and would like to be included in the City's list of stakeholders, the agency or organization may contact the Department of Economic & Community Development, Housing Division at (661) 267-5126.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 2 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Los Angeles Homeless Services Authority (LAHSA)	The Public Services including Homelessness goal of the Strategic Plan is consistent with the County of Los Angeles strategies to address homelessness.
2021-2029 Housing Element	City of Palmdale Economic & Community Development Department Planning Division	The housing goals included in the Strategic Plan are consistent with the City of Palmdale Housing Element.

Narrative

In the development of the Consolidated Plan, the City afforded the following other public entities with the opportunity to provide input on the Consolidated Plan and welcomes their input concerning the future implementation of projects to address the six Strategic Plan goals:

- City of Lancaster
- City of Santa Clarita
- Los Angeles County Development Authority
- State of California Department of Housing and Community Development

AP-12 Participation – 91.105, 91.200(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

In accordance with the City of Palmdale's Citizen Participation Plan, the City invites residents to actively contribute to the development of the Annual Action Plan. The City published the draft Annual Action Plan for public review for a 30-day comment period and will facilitate a public hearing on May 5, 2026, to approve the Action Plan.

Table 4 - Citizen Participation Outreach

	Mode of Outreach	Target of Outreach	Summary of Response /attendance	Summary of comments received	Summary of comments not accepted and reasons
1	Public Meeting	Non-targeted/ broad community	A public meeting/hearing was held before the City Council on May 5, 2026, to receive public comments on the housing, community and economic development needs of the City in anticipation of the 2026 Annual Action Plan.	None	None
2	Newspaper Ad	Non-targeted/ broad community	The City of Palmdale published a notice of public hearing and comment period in the Antelope Valley Press and at offices at City Hall on April 3, 2026 inviting the public to review and provide comment on the draft Action Plan and / or attend a public hearing on May 5, 2026.	None	None

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

As of this writing, HUD has not announced the final formula grant allocations of CDBG and HOME funds for the 2026-2027 Program Year. To facilitate the citizen participation process, ensure timely adoption and submission of the Action Plan, and preserve the ability of the City of Palmdale to start its 2026-2027 Program Year on July 1, 2026, the project and activity funding levels reflected in this draft Action Plan are based on the 2025-2026 HUD grant allocation levels including $1,407,911 of CDBG funds and $478,372 of HOME funds. This draft Action Plan allocates $4,654,936 of total funding, due to the inclusion of prior year unprogrammed funding and HOME program income.

Anticipated Resources

Table 5 - Expected Resources

Program	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan	Narrative Description
		Annual Allocation	Program Income:	Prior Year Resources:	Total:		
CDBG	Housing Public Improvements Public Services Admin and Planning	$1,407,911	$0	$0	$1,407,911	$0.00	Expected amounts are based on the current levels of funding
HOME	Multifamily rental new construction New construction for ownership TBRA	$478,372	$0	$2,768,654	$3,247,025	$0.00	Expected amounts are based on the current levels of funding

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

To address housing and community development needs in Palmdale, the City will leverage its CDBG and HOME entitlement grants with a variety of funding resources to maximize the effectiveness of available funds. The City and its development partners will continue to seek new opportunities to leverage federal funds, such as the Low-Income Housing Tax Credit program and other State of California resources.

Federal Resources

- Continuum of Care (CoC) Program
- HUD Veterans Affairs supportive Housing (HUD-VASH)
- Supportive Housing for the Elderly (Section 202)
- Supportive Housing for Persons with Disabilities (Section 811)
- Housing Opportunities for Persons with AIDS (HOPWA)
- YouthBuild
- Federal Low-Income Housing Tax Credit Program
- Emergency Food and Shelter Program (EFSP)
- State Low-Income Housing Tax Credit Program
- Building Equity and Growth in Neighborhoods Program (BEGIN)
- CalHome Program
- Multifamily Housing Program (MHP)
- Housing Related Parks Grant
- CalHFA Single and Multi-Family Program
- Mental Health Service Act (MHSA) Funding
- Los Angeles County CoC
- Los Angeles County Development Authority (LACDA)
- Southern California Home Financing Authority (SCHFA)
- Federal Home Loan Bank Affordable Housing Program (AHP)
- Community Reinvestment Act Programs
- United Way Funding
- Private Contributions

State Resources

- State Low-Income Housing Tax Credit Program
- Building Equity and Growth in Neighborhoods Program (BEGIN)
- CalHome Program
- Multifamily Housing Program (MHP)
- Housing Related Parks Grant
- CalHFA Single and Multi-Family Program

Local Resources

- Los Angeles County CoC
- Los Angeles County Development Authority (LACDA)
- Southern California Home Financing Authority (SCHFA)

Private Resources

- Federal Home Loan Bank Affordable Housing Program (AHP)
- Community Reinvestment Act Programs
- United Way Funding
- Private Contributions

HOME Matching Requirements

The CDBG program does not have a matching requirement.

HUD requires HOME recipients (PJs) to match 25 percent of their HOME annual allocation. In accordance with 24 CFR 92.222, PJs satisfying the distress criteria established by the HOME Program regulations are provided a match reduction. The match reductions are granted due to fiscal distress, severe fiscal distress, and Presidential disaster declarations. For those PJs with both fiscal distress and Presidential disaster match reductions, the PJ may take the higher match reduction for the current fiscal year.

When a local jurisdiction meets one of the distress criteria, it is determined to be in fiscal distress and receives a 50 percent reduction of match. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100 percent reduction of match. The City of Palmdale has received a 50 percent match reduction from HUD for FY24 (most recent published at https://www.hud.gov/hud-partners/community-affordable-housing-programs) and therefore, is required to match 50 percent of HOME Funds using non-federal funds.

The City of Palmdale leverages HOME funds with other local and private non-federal resources even though it has received a 100 percent match reduction from the 25 percent matching requirement. Any funds that are used in a HOME activity in excess of the required match will be documented by the City and reported to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER) each year.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

In 2011, the elimination of local Redevelopment Agencies by the State of California resulted in the loss of a crucial resource for the development and preservation of affordable housing. This negatively impacted affordable housing and residential investment. While there are mechanisms whereby certain affordable housing assets tied to the former Redevelopment Agencies may be utilized today, the available resources for

affordable housing are scarce.

Land or property necessary to address the needs identified in the Consolidated Plan would need to be acquired using HUD grant funds or other resources.

Discussion

Assuming continued level funding of the CDBG and HOME programs, the City expects to spend approximately $12.2 million of CDBG and HOME funds on projects that enhance the availability, affordability, and sustainability of affordable housing between July 2025 and June 2029. The 2026-2027 Action Plan investment of $4,654,936 of CDBG and HOME funds represents approximately 38 percent of the anticipated five-year investment, due to the inclusion of prior year unprogrammed funds.

AP-20 Annual Goals and Objectives

Table 6 – Goals Summary

Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
Affordable Housing	2026	2027	Affordable Housing	Increase the supply of affordable housing Provide rental assistance to low-income households Preserve the supply of affordable housing	HOME: $3,199,188	Tenant-based rental assistance / Rapid Rehousing: 30 Households Assisted
Fair Housing Services	2026	2027	Affordable Housing	Ensure equal access to housing opportunities	CDBG: $40,000	Other: 60 Other
Public Services including Homelessness	2026	2027	Homeless Non-Housing Community Development	Prevent and eliminate homelessness Provide public services for residents	CDBG: $176,000	Public service activities for Low/Moderate Income Housing Benefit: 150 Households Assisted
Public Facilities and Improvements	2026	2027	Non-Housing Community Development	Improve public facilities and infrastructure	CDBG: $950,331	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 9,571 Households Assisted
Economic Opportunity	2026	2027	Non-Housing Community Development	Expand economic opportunity	CDBG: $0	Businesses assisted: 0 Businesses Assisted
Planning and Administration	2026	2027	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Increase the supply of affordable housing Provide rental assistance to low-income households Ensure equal access to housing opportunities Prevent and eliminate homelessness Provide public services for residents Improve public facilities and infrastructure Expand economic opportunity	CDBG: $241,580 HOME: $47,837	Other: 0

Goal Descriptions

1	**Goal Name**	**Affordable Housing**
	Goal Description	Provide short- and medium-term rental assistance to individuals and families experiencing economic distress and at-risk of homelessness. In partnership with housing developers, leverage HOME and CDBG funds in support of the development or creation of rental housing opportunities that are affordable to households earning less than 30, 50, or 60 percent of Area Median Income, including units for individuals, families, persons with special needs, and persons experiencing homelessness or at-risk of homelessness. Subject to funding availability, design and implement programs for the preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households. Include, where appropriate, incentives for energy efficiency and conservation measures to increase sustainability and reduce monthly household utility costs to promote greater affordability.
2	**Goal Name**	Fair Housing Services
	Goal Description	Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services.
3	**Goal Name**	Public Services including Homelessness
	Goal Description	Provide public services designed to support a continuum of services in the Antelope Valley to prevent and eliminate homelessness including but not limited to emergency services, food and necessities of life, homelessness prevention programs, case management, and temporary housing assistance. Provide public services for youth and seniors including but not limited to those concerned with nutrition, education, health, transportation, and recreation, including programs that incorporate the creation of public art as a focus of the activity to foster a more suitable living environment. Provide public services to persons with special needs including but not limited to those concerned with disabilities, domestic violence, substance abuse and HIV/AIDS.
4	**Goal Name**	Public Facilities and Improvements
	Goal Description	Improve public facilities and infrastructure to benefit low- and moderate-income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing. This strategy includes the installation of infrastructure in support of affordable housing. Public improvements undertaken with CDBG funds may incorporate public art into projects that otherwise meet a National Objective of the CDBG program. This strategy also includes current Section 108 loan debt service fees and trustee fees.

5	**Goal Name**	Economic Opportunity
	Goal Description	Expand economic opportunity for low-income residents and business owners through technical assistance, small business loans/grants, and other forms of assistance to facilitate recovery from the economic disruption of early 2020. This includes activities focused on job creation/retention and employment training, in addition to financial and technical assistance to businesses including microenterprises. This goal does not have activities associated with it for FY2024.
6	**Goal Name**	Planning and Administration
	Goal Description	Provide for the timely and compliant administration of the CDBG and HOME programs in accordance with HUD policy and federal regulations. Provide for housing, transportation, environmental and other studies or plans necessary to ensure sustainable long-term growth that includes decent housing and a suitable living environment for low- and moderate-income residents. CDBG funds will also be used to make annual repayment on Section 108 loan.

AP-35 Projects – 91.220(d)

Introduction

To address the high priority needs identified in the Strategic Plan to the Consolidated Plan, the City of Palmdale will invest CDBG and HOME funds in projects that will provide short- and medium-term tenant-based rental assistance, increase the supply of affordable housing, provide fair housing services, provide public services for homeless residents and residents at-risk of homelessness, improve public facilities and infrastructure, and expand economic opportunity for low-income residents and small business owners. Together, these projects will address the housing, community, and economic development needs of Palmdale residents, particularly those residents residing in low- and moderate-income areas.

Table 7 - Project Information

#	Project Name
1	Tenant-Based Rental Assistance
2	Affordable Rental Housing Development
3	Affordable Rental Housing (CHDO)
4	Fair Housing Services
5	Public Facilities and Improvements
6	Planning and Administration

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Based on the Strategic Plan, the City is allocating 100 percent of its CDBG funds (excluding CDBG administration) and HOME funds (excluding HOME administration) for program year 2026 to projects and activities that benefit low- and moderate-income people. Due to the nature of the projects and activities to be undertaken, investments in all projects concerning Public Facilities and Infrastructure Improvements, benefit low- and moderate-income limited clientele or housing preservation, affordability and development are available citywide.

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state, and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2026-2027 Annual Action Plan in

projects that will be used to provide rental assistance, increase the supply of affordable housing, ensure equal access to housing opportunities, provide for public facilities and infrastructure improvements, promote economic opportunity for low-income residents and small business owners, and provide public services to low- and moderate-income residents to prevent and eliminate homelessness.

AP-38 Project Summary

Table 8 – Project Summary Information

1	**Project Name**	Tenant-Based Rental Assistance
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Provide rental assistance to low-income households
	Funding	HOME: $250,000
	Description	Provide short- and medium-term Tenant-Based Rental Assistance to low-income households.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 30 low-income seniors will benefit from the proposed activity.
	Location Description	Citywide
	Planned Activities	Tenant-Based Rental Assistance $250,000
2	**Project Name**	Affordable Rental Housing Development
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Increase the supply of affordable housing
	Funding	HOME: $2,877,432
	Description	TBD
	Target Date	6/30/2028
	Estimate the number and type of families that will benefit from the proposed activities	Forward Bound Affordable Housing: 8 families Linc Housing/Transit Village Project: 72 families Total: 80 families
	Location Description	Citywide
	Planned Activities	Forward Bound Affordable Housing $679,500 Linc Housing – Transit Village $1,799,500 Future Affordable Housing $398,432

3	**Project Name**	Affordable Rental Housing (CHDO)
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Increase the supply of affordable housing
	Funding	HOME: $71,756
	Description	Future affordable housing project by CHDO
	Target Date	6/30/2028
	Estimate the number and type of families that will benefit from the proposed activities	TBD
	Location Description	Citywide
	Planned Activities	Future affordable housing project by CHDO $71,756
4	**Project Name**	Fair Housing Services
	Target Area	Citywide
	Goals Supported	Fair Housing Services
	Needs Addressed	Ensure equal access to housing opportunities
	Funding	CDBG: $40,000
	Description	Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination, and landlord-tenant mediation services.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 60 people will benefit from the proposed activity.
	Location Description	Citywide
	Planned Activities	Housing Rights Center: Fair Housing Services $40,000

5	**Project Name**	Public Facilities and Improvements
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	Public Facilities and Improvements
	Needs Addressed	Improve public facilities and infrastructure
	Funding	CDBG: $950,331
	Description	Improve City of Palmdale public facilities and infrastructure to benefit low- and moderate-income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing as well as conduct ADA improvements to existing city public facilities and spaces. Infrastructure for affordable housing.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 9,571 people will benefit from the proposed activities.
	Location Description	Activities will be conducted in areas that qualify as low- or moderate-income areas.
	Planned Activities	Development of new public facility to house SAVES program. This phase for the purchase of a prefabricated structure. Affordable housing and infrastructure $950,331

6	**Project Name**	Planning and Administration
	Target Area	Citywide
	Goals Supported	Planning and Administration
	Needs Addressed	Increase the supply of affordable housing Provide rental assistance to low-income households Ensure equal access to housing opportunities Prevent and eliminate homelessness Provide public services for residents Improve public facilities and infrastructure Preserve the supply of affordable housing Expand economic opportunity
	Funding	CDBG: $241,580 HOME: $47,837
	Description	Administration and Planning
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Not Applicable
	Location Description	Not Applicable
	Planned Activities	CDBG Program Administration $241,580 HOME Program Administration $47,837

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City has not established specific target areas in which to focus the investment of CDBG funds. For the 2026 Program Year, the City will invest 100 percent of non-administrative funds to directly benefit low-and moderate-income individuals throughout the City. Infrastructure improvements and public facilities will be focused on areas with a concentration of residents with low- and moderate-incomes or sites that serve a presumed group. Housing assistance will be made available to income-qualified households throughout the City.

Geographic Distribution

Table 9 - Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Rationale for the priorities for allocating investments geographically

For the 2026 program year, the City will invest 100% of CDBG funds citywide.

Discussion

Based on the Strategic Plan, the City is allocating 100 percent of its CDBG funds (excluding administration) and HOME funds (excluding administration) for program year 2026 to projects and activities that benefit low- and moderate-income people.

AP-55 Affordable Housing – 91.220(g)

Introduction

The City placed a high priority on affordable housing in the Consolidated Plan. Affordable Housing, Fair Housing Services, and Public Services including Homelessness are among the goals of the Consolidated Plan's Strategic Plan. These goals establish a framework to invest CDBG and HOME funds to address the affordable housing needs of the City.

Table 10 - One Year Goals for Affordable Housing by Support Type

Homeless	0
Non-Homeless	30
Special-Needs	0
Total	30

Table 11 - One Year Goals for Affordable Housing by Support Requirement

Rental Assistance	30
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	30

Discussion

City residents have a significant need for high quality and affordable housing. In Program Year 2026, the City anticipates assisting Tenant-Based Rental Assistance participants. This assistance will be provided to eligible households with low incomes.

AP-60 Public Housing – 91.220(h)

As indicated in section NA-35, the Los Angeles Housing Development Authority (LACDA) administers HUDs Housing Choice and Project-Based Voucher and Public Housing programs in Los Angeles County. There is no public housing in Palmdale.

Actions planned during the next year to address the needs to public housing

During the 2026-2027 program year, LACDA will continue providing housing and public services to existing residents of the City of Palmdale. LACDA takes in feedback from residents collected through resident surveys distributed throughout the City of Palmdale to improve services.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

LACDA actively encourages residents to be involved in the organization through resident councils and active participation in housing authority decisions via surveys and other forms of engagement. Resident surveys were distributed with translation services available on request. Community meetings in low-income areas were hosted with copies of the Consolidated Plan draft available in these areas. A public hearing is conducted to accept public comments on the draft plan before its approval and submittal to HUD. Grant funding is administered to increase housing availability and accessibility to residents to encourage greater participation in homeownership. LACDA also maintains quarterly newsletters for Section 8 tenants, public housing residents, and Section 8 property owners.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. LACDA is considered a High Performing PHA.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Palmdale places a high priority on assisting households experiencing or at risk of experiencing homelessness, and households with other non-homeless special needs. According to the results of January 2025, PIT Count, in approximately 72,195 individuals in the CoC, 198 of which were in Palmdale were experiencing homelessness. Analysis of available data and consultation with organizations providing services for special needs populations revealed a need for a range of services including but not limited to those concerned with disabled adults. The City strives to meet these needs through the expanded access to affordable housing and public services for residents, including those with special needs, those experiencing homelessness goals and associated activities.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies and carried out locally by government agencies and a wide variety of community-based organizations and faith-based groups. Consistent with this approach, the City supports the CoC and its member organizations that address homelessness. In alignment with this strategy, the City will use County Local Solution funds to support local service providers with programs that include reaching out to homeless persons, especially those who are unhoused, to assess their needs and connect them with appropriate resources.

The City's goal of public services for residents, including those with special needs and those experiencing homelessness, will be implemented through South Antelope Valley Emergency Services (SAVES) project.

Addressing the emergency shelter and transitional housing needs of homeless persons

Through the Homeless Initiative, the County and CoC are working to strengthen and increase the availability of housing and services at all levels. The ultimate solution to ending homelessness is transitional to permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the CoC continues to rely on its emergency and bridge housing system to address the immediate needs of Los Angeles County's homeless population. Palmdale Dream Center provides 20 individual units of interim housing. The project was developed, and operations are financed with non-CDBG

sources. The CoC funds emergency shelter hotel/ motel vouchers for use in the area. Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies carried out locally by government agencies and a wide variety of community-based organizations and faith-based groups. Consistent with this approach, the City of Palmdale supports the efforts of The Los Angeles Homeless Service Authority (LAHSA), County Continuum of Care (CoC), and its member organizations that address homelessness throughout Los Angeles County and more specifically in SPA1. In alignment with this strategy, the City will use CDBG funds to support local service providers as well as City run programs to prevent homelessness and to expand the supply of affordable housing in Palmdale for low- and moderate-income residents.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Leveraging CoC efforts, this Strategic Plan provides for the use of CDBG public service funds to support social safety net activities and HOME funds to provide short- and medium-term tenant-based rental assistance to keep individuals and families housed or to rapidly re-house individuals and families experiencing homelessness. Additionally, the homeless plan goals and efforts included in the foregoing paragraphs also will help homeless persons, especially chronically homeless individuals and families, families with children, veterans, and unaccompanied youth make the transition to permanent housing and independent living. The City's goals are consistent with HUD's goal to shorten the period that individuals and families experience homelessness, facilitate access for homeless individuals and families to affordable housing units, and to prevent individuals and families who were recently homeless from becoming homeless again.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment,

education, or youth needs.

An individual or family is considered to be at-risk of becoming homeless if they experience extreme difficulty maintaining their housing and has no reasonable alternatives for obtaining subsequent housing. Homelessness often results from a complex set of circumstances that require people to choose between food, shelter and other basic needs. Examples of common circumstances that can cause homelessness include eviction, loss of income, insufficient income, disability, increase in the cost of housing, discharge from an institution, irreparable damage or deterioration to housing, and fleeing from family violence.

The “Approved Strategies to Combat Homelessness” published by L.A. County on February 9, 2016, (Homeless Initiative) are consistent with State and Federal initiatives for ending homelessness and consists of 47 strategies arranged by six guiding principles including A) Prevent Homelessness, B) Subsidize Housing, C) Increase Income, D) Provide Case Management and Services, E) Create a Coordinated System, and F) Increase Affordable/Homeless Housing. The Homeless Initiative represents a commitment by all stakeholders throughout the County to prevent and end homelessness. In 2022, the Homeless Initiative updated the strategies and framework to five strategies to Coordinate, Prevent, Connect, House and Stabilize.

Through implementation of the collaborative goals of the City of Palmdale’s Homeless Plan and implementation of best practices developed through the CoC, the community will be able to serve people discharged from publicly funded institutions or systems of care such as health care facilities or correction programs. Full implementation of the Coordinated Entry System will reduce the number of people discharged from publicly funded institutions into homelessness.

Discussion

Through implementation of the collaborative goals of the City of Palmdale’s Homeless Plan and implementation of best practices developed through the CoC, the community will be able to serve people discharged from publicly funded institutions or systems of care such as health care facilities or correction programs. Full implementation of the Coordinated Entry System will reduce the number of people discharged from publicly funded institutions into homelessness.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

As described in the City's Housing Assessment, the City of Palmdale has experienced significant population growth since 1980. Over 80 percent of the City's housing stock has been constructed since 1980. Since 2000 nearly all new units in the City have been single family units. This is due to several factors: 1) there was a moratorium imposed on new multi-family housing construction in place between 1999 and 2001; 2) there was substantial public opposition to any new multi-family housing; and 3) until October 2012, the City's highest residential density, R-3, allowed a maximum of only 16 units per acre and imposed very restrictive and inflexible development standards, pushing the price of development up. As a result, the current housing stock in the City is 78 percent detached single-family, 12 percent larger multi-family complexes (five or more units), five percent mobile homes, three percent small multi-family complexes, and two percent condominiums. Multi-family development is mainly located along Palmdale Boulevard in the central portion of the City.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City's Housing Element includes a Housing Plan with a range of goals and supporting policies for addressing the City's housing needs and mitigating constraints with available resources. The City's strategy includes the following:

- Promote the construction of a variety of residential development opportunities for all income groups.
    - Encourage the production of housing for all segments of the City's population, including all income levels (including extremely low-income households) and those with special needs.
    - Encourage a variety of housing types such as single-family attached (townhomes), multi-family units, planned unit developments, mixed-use housing, and other housing types to fulfill regional housing needs.

    - Encourage the development of new affordable units through the provision of incentives.
    - Encourage the development of housing that is affordable to lower income groups in areas well served by public transportation, schools, retail, and other services.
- Preserve and improve the existing supply of affordable housing.
    - Require that all units developed under any of the City affordable housing programs remain affordable for the longest possible time or at least 30 years.
    - Use regulatory and financial tools to make mobile home spaces permanently affordable.
    - Preserve or replace units with expiring subsidies.
- Mitigate local government constraints on housing.
    - Assess financial impacts of zone changes on housing affordability.
    - Assess feasibility of land use concessions and fee reductions to make new housing more affordable.
    - Revise the Zoning Ordinance when necessary to remove constraints in compliance with State law.
- Promote equal housing for all persons regardless of their special characteristics as protected under State and Federal fair housing laws.
    - Ensure that mixed income housing is focused in areas that have access to transit and resources, specifically in Residential Neighborhoods of RN2 and above and all the Mixed-Use Districts.
    - Provide fair housing services that include public information, counseling, and investigation.
- Facilitate adequate housing for households with special needs.
    - Permit a variety of housing types for seniors including dependent housing units and congregate housing with supportive services.
    - Recognize the unique characteristics of elderly and disabled households and address the special needs of these households.
    - Establish and maintain standards for units designated as senior units to ensure that they are accessible and convenient for older persons and persons with disabilities.
- Address the needs of persons experiencing homelessness.
    - Provide emergency food, shelter and referrals to homeless and very low-income individuals and families.
    - Provide zoning designations for the development of shelters for the homeless.
    - Cooperate in regional homeless assistance feasibility studies.

    - Provide referral services and accept referrals from homeless service agencies for emergency housing placement.
- Increase access to safe and adequate housing for people with disabilities.
    - Ensure access for the disabled in residential, commercial, and public structures.
    - Educate property managers about the reasonable accommodation provisions of the Americans with Disabilities Act and Federal and State fair housing laws through the Partners Against Crime program and the fair housing services provider.
- Implement energy and water conservation measures.
    - Ensure that energy and water conservation measures are included in all new development and redevelopment projects using an energy conservation checklist.
    - Inform the public about retrofitting their homes with energy and water conservation measures.
    - Incorporate native desert vegetation as a condition of approval for all proposed housing projects.
- Enhance vitality and safety of existing residential neighborhoods.
    - Actively enforce compliance with health, safety, building, fire, law enforcement and other regulations in all neighborhoods.
    - Actively enforce the City's property maintenance ordinance.
    - Improve property maintenance and management by providing training to owners and managers.
- Promote neighborhood versatility by encouraging a mix of new housing alternatives to increase affordability and promote home ownership.
    - Encourage voluntary inclusionary housing by offering incentives to developers.
    - Evaluate the feasibility of small lots, reduced setbacks or other modifications to reduce cost of development.
    - Encourage mixed-use housing in designated areas along transportation corridors and other commercial areas.

AP-85 Other Actions – 91.220(k)

Introduction

In the implementation of the 2026-2027 Annual Action Plan, the City will invest CDBG and HOME resources to address obstacles to meet underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state, and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2026-2027 Annual Action Plan in projects that will provide public services to low- and moderate-income people to prevent homelessness, rental assistance to low-income households, and projects that provide the infrastructure necessary to facilitate access to public facilities where services are provided. To address underserved needs, the City is allocating the majority of its CDBG and HOME funds (excluding administration) for program year 2026-2027 to projects that benefit low- and moderate-income people.

Actions planned to foster and maintain affordable housing

In the implementation of the 2026-2027 Annual Action Plan, the City will invest HOME funds to foster affordable housing by partnering with housing developers in an effort to support the development of new rental housing units and provide tenant-based rental assistance to low-income tenants requiring affordable housing.

Actions planned to reduce lead-based paint hazards

The Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. To reduce lead-based paint hazards, the City of Palmdale will conduct lead-based paint testing and risk assessments for future rehabilitation projects where the property to be assisted was built prior to January 1, 1978, and will incorporate safe work practices or abatement into the scope of work as required to reduce lead-based paint hazards in accordance with 24

CFR Part 35.

Actions planned to reduce the number of poverty-level families

The implementation of CDBG and HOME activities meeting the goals established in the 2025-2029 Consolidated Plan - Strategic Plan and this Annual Action Plan will help to reduce the number of poverty-level families by:

- Supporting activities that increase the supply of housing that is affordable to low- and moderate-income households;
- Supporting activities that ensure equal access to housing opportunities;
- Providing access to fair housing services;
- Supporting public service activities that address homelessness; and
- Supporting activities that improve public facilities and infrastructure.

Actions planned to develop institutional structure

The institutional delivery system in the City is highly functioning and collaborative, particularly the relationship between local government and the nonprofit sector, which is comprised of a network of capable organizations that are delivering a full range of services to residents. Strong City departments anchor the administration of HUD grant programs, housing, and community and economic development activities that are implemented by the City support to enhance the institutional structure. The City will collaborate interdepartmentally, with residents, and with nonprofit agencies receiving CDBG and HOME funds through the 2026 Annual Action Plan to ensure the needs of low-and moderate-income residents are met as envisioned within the 2025-2029 Consolidated Plan - Strategic Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

Communication and cooperation between the City and the partner agencies and organizations that administer activities is strong. City staff works closely with the other organizations to improve regulatory compliance, monitoring, cooperation and partnerships among agencies and technical capacity of organizations involved in project delivery. To enhance coordination between public and private housing and social service agencies, the City will continue consulting with and inviting the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in Palmdale.

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

In the implementation of programs and activities under the 2026 Annual Action Plan, the City of Palmdale will follow all HUD regulations concerning the use of program income, forms of investment, overall low- and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Table 12 – CDBG Requirements

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	$0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	$0
3. The amount of surplus funds from urban renewal settlements	$0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	$0
5. The amount of income from float-funded activities	$0
Total Program Income:	**$0**

Table 13 – Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%
3. Overall benefit period	2025, 2026, 2027

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified

in Section 92.205 is as follows:

The City does not use forms of investment other than what is included in §92.205(b).

Any HOME program income received during the program year from prior investments in affordable housing may be budgeted to an eligible existing project in this Action Plan with approval of the City Manager or designee. Such action shall constitute a minor amendment to the Action Plan and such amendment will be posted to the City website at:
https://www.cityofpalmdaleca.gov/302/CDBG---HOME-Grants.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

The City does not currently have any projects planned or underway for homebuyer activities.

The City's previous HOME-funded homebuyer programs incorporate a recapture provision in accordance with § 92.254 (a)(5)(ii). As a condition of funding, the homebuyer must enter into a HOME Participation Agreement with the City of Palmdale. The City's investment in the property is made as a forgivable loan in exchange for a 15-year affordability period as required under the HOME Program Regulations. The affordability period is enforced by a recorded affordability covenant against the property.

Recapture of funds is required in the event of any of the following during the period of affordability:

- Sale of the property or transfer of any kind to non-income qualified homebuyers (excluding those related to the dissolution of marriage);
- When the residence ceases to be used as the primary residence, subleasing or renting of the property;
- Refinancing; and
- Failure to maintain the property in decent, safe, and sanitary condition.

The funds subject to recapture include all funds advanced in connection with the City's homebuyer assistance, less forgiveness payments credited proportionally each year on the anniversary of the Note. HOME funds shall be recaptured from net proceeds, which are defined as the sales price minus superior loan repayment (other than HOME assistance) and closing costs. The City will recapture the entire amount of HOME funds invested from net proceeds, less any forgiveness payments credited. In the

event that the net proceeds resulting from a sale are not sufficient to provide for the full return of the Borrower's original down payment and Borrower's cost of capital improvements to the Property (subject to City verification and approval), then the Borrower shall be entitled to recover their original down payment amount and City approved capital improvement amounts before the recapture of the HOME Loan. The recaptured funds will be used to carry out HOME eligible activities.

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

   See above.

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

   The City does not intend to use HOME funds under the 2026-2027 Annual Action Plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

5. **If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).**

   The City's HOME TBRA activity targets the elderly which is defined as follows, senior - an individual, aged 62 or over at the time of application to the TBRA program, as evidenced by government-issued identification or birth certificate.

6. **If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).**

   N/A

7. **If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).**

   N/A

Discussion

In the implementation of programs and activities under the 2026-2027 Annual Action Plan, the City of Palmdale will follow all HUD regulations concerning the use of CDBG and HOME funds.

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

APPLICANT: **PALMDALE FAMILY APARTMENTS, LP**

DISTRICT: **5**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-025, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING MOD 26-0010 AMENDING A PREVIOUSLY APPROVED DENSITY BONUS AGREEMENT 25-0003 (A-9355), TO FACILITATE THE CONSTRUCTION OF A 272-UNIT MULTI-FAMILY RESIDENTIAL DEVELOPMENT ON TWO VACANT PARCELS TOTALING APPROXIMATELY 9.8 ACRES LOCATED AT THE NORTHWEST CORNER OF EAST AVENUE Q AND 25TH STREET EAST; AND, AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE OPTION TO AMEND THE AGREEMENT AS NECESSARY, INCLUDING MINIMAL AND/OR NON SUBSTANTIVE CHANGES (APNS: 3022-012-036 AND -037)**

RECOMMENDATION

Staff recommends that the City Council:

1. Receive public testimony regarding Resolution No. CC 2026-025;

2. Adopt Resolution No. CC 2026-025, approving MOD 26-0010 amending a previously approved density bonus agreement 25-0003 (A-9355), to facilitate the construction of a 272-unit multi-family residential development on two vacant parcels totaling approximately 9.8 acres located at the northwest corner of East Avenue Q and 25th Street East; and,

3. Authorize the City Manager or his designee to exercise the option to amend the Agreement, as necessary, including minimal and/or non- substantive changes (APNS: 3022-012-036 and -037).

BACKGROUND

On October 9, 2025, the Planning Commission adopted Resolution No. PC-2025-015 approving Site Plan Review 25-0009 for the development of the 272-unit affordable housing project and recommending City Council approval of a form of AGR 25-0003 for the associated Density Bonus Agreement. On November 4, 2025, the City Council adopted Resolution No. CC-2025-087, approving a form of Agreement (AGR) 25-0003 (A-9355). On April 1, 2026, an application was filed with the City to amend the previously approved Agreement (AGR) 25-0003 (A-9355).

FIGURE 1 - AERIAL MAP



DISCUSSION

The application proposes to amend the Density Bonus Agreement to add three concessions, as set forth in Exhibit E of Resolution No. CC 2026-025, in addition to the five waivers previously granted for the approved affordable housing project pursuant to Density Bonus Law (Government Code Section 65915) and Palmdale Municipal Code (PMC) Section 17.25.020.I.

The approved project includes 272 dwelling units with 100 percent of the units designated for households with incomes not exceeding the low-income threshold established by the California Department of Housing and Community Development (HCD). In accordance with the State Density Bonus Law the applicant can request an unlimited number of waivers of development standards that would preclude the development and a maximum

of three concessions from the City's development standards to facilitate the provision of affordable housing.

A density bonus is a request to increase the overall number of housing units that a developer may build on a site in exchange for providing affordable housing. State Density Bonus Law, pursuant to Section 65915 et seq of the California Government Code, offers incentives that are intended to encourage the development of affordable housing.

A Site Plan Review and Density Bonus Agreement were required to allow the proposed development. The project was reviewed for consistency with applicable design standards and policies related to density, site planning, circulation, landscaping, and building form and related standards. At the time of approval, the applicant did not request incentives or concessions, but did request multiple waivers, as follows:

1. A waiver to allow less than the minimum 15-foot front setback and 20-foot rear setback requirements;

2. A waiver to allow parking garages that are smaller than the required dimensions of 10 feet in width by 40 feet in length;

3. A waiver to allow parking spaces to be located more than 200 feet from the dwelling units they serve;

4. A waiver to allow less than the minimum 30 feet of open-to-the-sky separation between structures and/or less than the minimum 30-foot open-to-the-sky building break required for buildings over 425 feet in length, subject to approval by the Planning Director or designee; and,

5. A waiver to allow less than the minimum required 125 cubic feet of enclosed private storage space per unit.

The proposed amendment to the previously approved Density Bonus Agreement includes a request for three concessions as follows:

1. A concession to PMC Sections 12.04.140 through 12.04.170, which require utilities to be installed underground. Instead, electricity, telecom, and similar lines will be installed above ground.

   The applicant proposes that utilities be installed above ground and based on the justification that undergrounding utilities would increase the cost of construction beyond the funds available for the development.

2. A concession to PMC Section 8 (Cal Green 2022 Code 4.106.4) that requires forty percent (40%) of all parking stalls to be “EV Ready” with an available 240-volt outlet at each stall and an additional ten percent (10%) of stalls have an EV Charger, unless the City determines these are not required and would adversely increase construction cost (Cal Green 2022 Code 4.106.4).

The concession would remove these requirements, resulting in approximately $500,000 in savings.

3. A concession from Multifamily/Mixed Use Residential Standards Section 5.2.7, which requires roofing materials for sloped roofs to be terracotta or similar tile, standing seam metal or similar, slate or equal, synthetic shake or equal, or an alternative material as determined by the Director.

   The project proposes asphalt shingles, which result in cost savings compared to the permitted roofing materials.

These requested concessions are intended to facilitate the construction of high-quality, affordable housing while accommodating the site's physical constraints and design needs. The project complies with all other applicable zoning regulations and supports the City's goals for housing production and affordability.

The City has determined that granting the additional concessions listed above will result in actual and identifiable cost reductions to provide affordable housing. In addition, the proposed project will contribute to satisfying the City's Regional Housing Needs Assessment (RHNA) allocation.

FISCAL IMPACT

$7,510.13; The applicant paid the application processing fee specified in the City's fee resolution (Resolution No. CC 2025-043), and the project will improve an underdeveloped site by providing utility infrastructure, a traffic signal, street improvements, curbs, gutters, sidewalks, and additional housing.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

E. Transform housing inventory to meet the changing lifestyle and market demands.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-025

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING AN AMENDMENT (MOD 26-0010) TO A PREVIOUSLY APPROVED DENSITY BONUS AGREEMENT 25-0003 (A-9355), TO FACILITATE THE CONSTRUCTION OF A 272-UNIT MULTI-FAMILY RESIDENTIAL DEVELOPMENT ON TWO VACANT PARCELS TOTALING APPROXIMATELY 9.8 ACRES LOCATED AT THE NORTHWEST CORNER OF EAST AVENUE Q AND 25TH STREET EAST, AND AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE OPTION TO AMEND THE AGREEMENT AS NECESSARY, INCLUDING MINIMAL AND/OR NON SUBSTANTIVE CHANGES (APNS: 3022-012-036 AND -037)

WHEREAS, Palmdale Family Apartments, LP (Applicant), has filed an application requesting the City Council approve an amendment, Modification (MOD) 26-0010, to a previously approved Density Bonus Agreement (AGR) 25-0003 (A-9355), described herein (hereinafter "Application"); and

WHEREAS*,* The Application applies to two vacant parcels located on the northwest corner of East Avenue Q and 25th Street East indicated on the Los Angeles Assessor roll as Assessor Parcel Numbers 3022-012-036 and -037, legally described on Exhibit A hereto and shown on the map attached as Exhibit B; and,

WHEREAS, The Application proposes the development of an affordable housing project, and under Government Code Section 65915 et seq. and Palmdale Municipal Code ("PMC"), Section 17.25.020, the City must, upon the request of an applicant, grant a density bonus and/or certain incentives/concessions or waivers/modifications for any applicant that seeks and agrees to construct a housing development that will contain at least the minimum number of required affordable housing units; and,

WHEREAS, On October 9, 2025, the Planning Commission of the City of Palmdale conducted a duly noticed public hearing on AGR 25-0003 and recommended City Council approval on that date; and,

WHEREAS, on November 4, 2025, the City Council of the City of Palmdale conducted and approved a duly noticed public hearing on AGR 25-0003 and concluded said hearing on that date. Evidence, both written and oral, was duly presented and considered by the City Council at the aforesaid public hearing, including but not limited to, the staff report dated November 4, 2025; and,

WHEREAS, the Applicant subsequently submitted MOD 26-0010, an amendment to AGR 25-0003 to request three concessions, in addition to the previously approved five

waivers of development standards and the use of the state density bonus law parking ratios; and,

WHEREAS, on May 5, 2026, the City Council of the City of Palmdale conducted a duly noticed public hearing on the Application and concluded said hearing on that date. Evidence, both written and oral, was duly presented and considered by the City Council at the aforesaid public hearing, including but not limited to, the staff report dated May 5, 2026; and,

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 foregoing recitals are true and correct.

SECTION 2. The City Council hereby finds as follows with respect to the documents prepared for the project:

A The custodian of records for all other materials which constitute the record of proceedings upon which the City Council's decision is based, is the Planning Manager of the City of Palmdale. These documents are available for public review in the Planning Division of the City of Palmdale located at 38250 Sierra Highway, Palmdale, California 93550, telephone (661) 267-5200.

SECTION 3. Based upon substantial evidence presented to the City Council during the above-referenced May 5, 2026, public hearing, including public testimony, and written and oral staff reports, the City Council specifically finds as follows:

A The proposed density bonus agreement is consistent with the maps and policies of the General Plan and any applicable Specific Plan. (DBA)

The proposed Density Bonus Agreement, as amended, is consistent with the Mixed Use 3 (MU 3) General Plan land use designation and zone, as demonstrated in Exhibits C and D, which allow for high-density residential development on the project site. The project meets applicable land use, density, and development standards, and no General Plan amendments or zone changes are required. Additionally, the project supports the City's goals for increasing affordable housing and promoting compact, infill development in areas served by existing infrastructure and transit, further

aligning with General Plan objectives. As demonstrated in Exhibit D, the proposed project meets the density, lot size, lot width, and lot depth requirements of the MU 3 zone, and is therefore suitable for the type and density of the proposed development.

B The proposed density bonus agreement complies with the requirements of California Government Code Section 65915 et seq. (DBA)

The proposed amended Density Bonus Agreement complies with the requirements of California Government Code Section 65915 et seq (Density Bonus Law) by providing the required percentage of affordable housing units in exchange for density bonuses and development incentives. The project includes deed-restricted affordable units for lower-income households, consistent with state-mandated eligibility thresholds. In accordance with Density Bonus Law, the Applicant has requested an amendment to allow for concessions in addition to the waivers of development standards previously approved to facilitate the development of affordable housing, and the City has verified that all the additional requests meet the statutory criteria. As such, the amended agreement fully aligns with the provisions and intent of Density Bonus Law.

Pursuant to PMC Section 17.25.020, approval of the amended density bonus agreement is required to allow the proposed development. The project has been reviewed for consistency with applicable design standards and policies related to density, site planning, circulation, landscaping, and building form.

Pursuant to Government Code Section 65915(p), the project is required to provide no more than 422 parking spaces, and the project complies with this requirement. Pursuant to Section 65915(p)(8) of the Government Code, Applicant's request for reduced parking ratios does not reduce or increase the number of concessions to which Applicant is entitled and does not constitute a waiver under Section 65915(e).

As a result, the Applicant is entitled to and was previously granted five waivers of development standards under the Density Bonus Law and PMC Section 17.25.020, as follows:

1 A waiver was previously granted to allow less than the minimum 15-foot front setback and 20-foot rear setback requirements and allow a 10-foot front setback and a nine-foot rear setback because the development standard would physically preclude the project and require the removal of 24 units.

2 A waiver was previously granted to allow parking garages that are 10 feet in width by 35 feet in length and uncovered tandem spaces that are nine feet in width by 33 feet in length instead of the required dimensions of 10 feet in width by 40 feet in length because the development standard would physically preclude the project and require the removal of 24 units.

3 A waiver was previously granted to allow parking spaces to be located more than 200 feet from the dwelling units they serve because the site configuration and building typology necessary to achieve 30 dwelling units per acre made it infeasible to meet the maximum 200-foot distance from parking spaces to the unit served.

4 A waiver was previously granted to allow less than the minimum 30-foot of open-to-the-sky separation between structures and less than the minimum 30-foot open-to-the-sky building break required for buildings over 425 feet in length to allow building separations of between 12 feet and 21 feet because the development standard would physically preclude the project and require the removal of 48 units.

5 A waiver was previously granted to provide no enclosed private storage space instead of the required 125 cubic feet because complying with the development standard would physically preclude the project and require the removal of four to five units.

The proposed amendment to the Density Bonus Agreement includes a request for three concessions pursuant to the Density Bonus Law and PMC Section 17.25.020 as follows and as set forth in Exhibit E:

1 A concession to PMC Sections 12.04.140 through 12.04.170, which require utilities to be installed underground. Instead, electricity, telecom and similar lines will be installed aboveground.

The Applicant proposes utilities to be installed above ground and based on the justification that undergrounding utilities would increase the cost of construction beyond the funds available for the development. The Applicant has demonstrated that compliance with the underground requirement would result in increased construction costs and that the requested concession will provide identifiable and actual cost reductions necessary to facilitate the development of the affordable units.

2 A concession to PMC Section 8 (Cal Green 2022 Code 4.106.4) that requires forty percent (40%) of all parking stalls to be “EV Ready” with an available 240-volt outlet at each stall and an additional ten percent (10%) of stalls have an EV Charger, unless the City determines these are not required and would adversely increase construction cost (Cal Green 2022 Code 4.106.4).

The concession would remove these requirements, which results in savings of approximately $500,000. The Applicant has demonstrated that compliance with these requirements would result in increased construction costs and that the requested concession will provide identifiable and actual cost reductions necessary to facilitate the development of the affordable housing units.

3 A concession from Multifamily/Mixed Use Residential Standards Section 5.2.7, which requires roofing materials for sloped roofs to be terracotta or similar tile, standing seam metal or similar, slate or equal, synthetic shake or equal, or an alternative material as determined by the Director

The Applicant has demonstrated that the use of asphalt shingles in lieu of the required materials will result in reduced construction costs and that the requested concession will provide identifiable and actual cost reductions necessary to facilitate the development of the affordable units.

These requested waivers are intended to facilitate the construction of high-quality, affordable housing while accommodating the site’s physical constraints and design needs. The project complies with all other applicable zoning regulations and supports the City’s goals for housing production and affordability.

The City has determined that granting the waivers listed above will result in actual and identifiable cost reductions to provide affordable housing. In addition, the proposed project will contribute to satisfying the City’s RHNA allocation.

SECTION 4. The project is exempt from the California Environmental Quality Act (CEQA) as a ministerial project pursuant to Government Code Section 15268, as it consists of an amendment to an approved Density Bonus Agreement to grant incentives to facilitate the development of a previously approved 100-percent affordable multifamily residential development. The amendment does not introduce new environmental impacts beyond those previously analyzed.

SECTION 5. Based on the findings and conclusions set forth in Sections 1, 2, 3 and 4 above, the City Council approves Modification 26-0010, a modification to a previously approved Density Bonus Agreement, AGR 25-0003 (A-9355) as set forth in Exhibits A through E, and authorize the City Manager or his designee to exercise the option to amend the agreement as necessary.

SECTION 6. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 5th day of May, 2026.

Approved as to form:

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Alexandra Severino
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 5th day of May, 2026, by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

EXHIBIT A

LEGAL DESCRIPTION FOR MOD 26-0010

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

THE NORTH HALF OF THE SOUTH HALF OF THE EAST HALF OF LOT 14 IN SECTION 19, TOWNSHIP 6 NORTH, RANGE 11 WEST, SBBM, IN PALMDALE COLONY LANDS, AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY.

PARCEL TWO:

THE SOUTH HALF OF THE SOUTH HALF OF THE EAST HALF OF LOT 14 IN SECTION I9, TOWNSHIP 6 NORTH, RANGE 11 WEST, SBBM, IN PALMDALE COLONY LANDS, AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY.

APN'S: 3022-012-036 AND -037

EXHIBIT B

AERIAL MAP FOR MOD 26-0010



EXHIBIT C

GENERAL PLAN CONSISTENCY FOR MOD 26-0010

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-4.1: Quality Construction. Use simple, urban building forms made with permanent materials with high-quality detailing that stands the test of time.	Yes	The proposed project incorporates durable, high-quality building materials that include stucco in complementary tones, stone veneer, and cement board panels, urban architectural forms that align with the City's long-term vision for residential developments. The buildings feature clean lines, breaks in building massing, and permanent exterior finishes designed to minimize maintenance needs while maintaining visual appeal over time. In addition, the proposed project includes varied rooflines, prominent building entrances, and intentional façade articulation to create visual interest along the street frontage.
	LUD-4.3: Promote high-quality, cohesive architectural design by encouraging building forms, materials, and styles that are durable, compatible with surrounding development, and supportive of long-term community character.	Yes	
	LUD-4.7: Iconic Architecture. Allow iconic and memorable building designs, particularly on larger non-residential properties.	Yes	

GENERAL PLAN CONSISTENCY (CONTINUED)

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-5.3: Require new developments to be designed for and provided with adequate public services and infrastructure. Require that these public facilities and services be provided concurrently with development to ensure a high quality of life for residents.	Yes	The project is located within the Palmdale Water District and the Los Angeles County Sanitation District. Both agencies have reviewed the project and provided conditions of approval to ensure the project can be adequately served by existing water and wastewater facilities upon approval of development plans. Additionally, the project has been conditioned by the Engineering Division to provide roadways, curbs, gutters, and sidewalks to adequately serve future residents.
	LUD-10.6: Implement urban design guidelines and features that encourage pedestrian activity and reduce automobile use.	Yes	The proposed project incorporates urban design features that promote walkability and reduce car dependency. The project includes pedestrian pathways, shade trees, and long-term bike parking further enhances pedestrian comfort and supports alternative transportation. The site's proximity to transit and its compact, connected layout align with the City's vision for transit-oriented, pedestrian-friendly development.

GENERAL PLAN CONSISTENCY (CONTINUED)

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-22.5 Varying Housing Types. Encourage and allow a variety of housing types developed at a range of densities to serve varying household types, including, but not limited to, single-family attached and detached, accessory dwelling units, multifamily apartments, townhomes, duplexes, triplexes, quadplexes, and condominiums.	Yes	The proposed project is located on a vacant site and will provide a new multifamily development for low-income individuals. The site is within a half-mile distance of a major bus corridor, which provides alternative transportation mobility for the residents. The proposal meets this land use goal by providing a different type of housing than what is currently within the immediate vicinity and by serving the need for multifamily developments.
Economic Development	ED-5.2: Increase the supply and diversity of housing options to support different types of households, including seniors, young adults, families, empty nesters, individuals or families with special needs, and multigenerational families.	Yes	The proposed project supports the General Plan goal to increase the supply and diversity of housing options by offering a mix of unit sizes ranging from one to four bedrooms to accommodate a wide range of household types, and ensures more inclusive and flexible housing opportunities within the community.

**Justification is based on a review of the plans date stamped 'Received June 25, 2025'.*

EXHIBIT D

PMC STANDARDS FOR MOD 26-0010

	Standard	Standard Met?	Justification*
Density	Minimum Density: 30 dwelling units per acre Maximum Density: 50 dwelling units per acre	Yes	The proposed project would accommodate the development of 272 multifamily residential units on an approximately 9.8-acre site, resulting in a residential density of approximately 28.2 dwelling units per acre.
Lot Size	Minimum: 20,000 square feet	Yes	The proposed project is situated on an approximately 9.8 acre site which exceeds the minimum requirement.
Lot Width	Minimum: 60 feet	Yes	The proposed project has a lot width of approximately 590 feet.
Lot Depth	Minimum: 100 feet	Yes	The proposed project has a lot depth of approximately 600 feet.
Setbacks	Front: 15 feet Street Side: 10 feet Interior: 0 feet Rear: 15 feet	No	The applicant proposes a 10-foot front yard, a 15-foot street side, a five-foot interior, and a nine-foot rear yard setback. The applicant has submitted a waiver to reduce the required front setback from 15 feet to 10 feet and the required rear setback from 15 feet to nine feet, because it would require the removal of 24 units.
Building Height	Maximum Height: 65 feet or five stories	Yes	The proposed project is 36 feet in height and three stories.
Private Storage	Minimum required 125 cubic feet of enclosed private storage space per unit	No	The applicant has submitted a waiver to allow the project to not provide any private storage space for any of the units.

PMC STANDARDS (CONTINUED)

	Standard	Standard Met?	Justification*
Landscaping	30 percent of the minimum required front yard area shall be landscaped, of which half must be planted with live plant material	Yes	The front yard area of the proposed project is landscaped with live plant material with the exception of walkways and a monument sign.
Building Separation	A minimum 30 feet of open-to-the-sky separation between structures and/or less than the minimum 30-foot open-to-the-sky building break required for buildings over 425 feet in length.	No	The applicant is requesting a waiver to reduce the required minimum 30 feet of open-to-the-sky separation between structures.
Parking	Utilizing the state density bonus for parking spaces, 422 spaces would be required.	Yes	The proposed project includes 453 parking spaces.
	Tandem parking garages shall be a minimum dimension of 10 feet in width by 40 feet in length.	No	The project will provide tandem garages 10 feet in width by 35 feet in length and uncovered tandem spaces 9 feet in width by 33 feet in length. The applicant has submitted a waiver to reduce this requirement.
	A waiver to allow parking spaces to be located more than 200 feet from the dwelling units they serve.	No	The applicant is requesting a waiver to deviate from this requirement.
Roofing Material	Per the Multi-Family and Mixed-Use Design Standards Section 5.2.7 sloped roofs shall provide one of the following: Terracotta, non-reflective standing seam, slate or equal, or synthetic shake.	No	The applicant is requesting a concession to deviate from this requirement and provide composition asphalt shingle roofing.

PMC STANDARDS (CONTINUED)

	Standard	Standard Met?	Justification*
Amenities	Five amenities are required for the 272 residential unit project.	Yes	Amenities include: a community gathering area with a pergola shade structure and barbecue with table seating and benches; a children's play area; a swimming pool area; and four garden courtyards.
Electric Vehicle Charing	Electric vehicle infrastructure requirements set forth in PMC Section 17.87.050.C and Title 24, Part 11 (California Green Building Standards Code 2022), Section 4.106.4, as adopted by the Palmdale Municipal Code, which requires that 40 percent of all parking stalls be “EV Ready” with an available 240-volt outlet at each stall and an additional 10 percent of stalls have an EV Charger	No	The applicant is requesting a concession to deviate from this requirement.
Transmission Lines	Utilities shall be installed above ground as required by PMC Sections 12.04.140 through 12.04.170.	No	The applicant is requesting a concession to deviate from this requirement.

**Justification is based on a review of the plans date stamped ‘Received June 25, 2025’.*

OFFICIAL BUSINESS
Document entitled to free
Recording per California
Government Code Section 27383

EXHIBIT E

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Palmdale
38300 Sierra Highway, Suite C
Palmdale, CA 93550
Attn: City Clerk

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

APNs: 3022-012-036 & 3022-012-037

DENSITY BONUS HOUSING AGREEMENT
Zenith at 25th- Palmdale Family Apartments
Agreement No. A-9355

THIS DENSITY BONUS HOUSING AGREEMENT (this "Agreement"), dated as of _____, ~~2025~~2026, is entered into by and between the City of Palmdale, a municipal corporation of the State of California (the "City"), and Palmdale Family Apartments LP, a California limited partnership and/or its assigns (the "Owner"), as follows:

RECITALS

A. The Owner is the owner of a fee interest in certain real property located in the City of Palmdale, County of Los Angeles, State of California, identified as APNs 3022-012-036 & 3022-012-037, located at the Northwest Corner of 25th St. East and East Avenue Q and legally described in Exhibit "A" attached hereto and incorporated by reference (the "Property").

B. The Owner will construct a 272-unit affordable housing development, with fourteen (14) residential buildings and included amenities (the "Residential Development"). The project provides for units of varying types, one-, two-, three-, and four-bedroom flats. The project will provide 422 parking stalls onsite.

C. The Owner proposes construction of a rental housing development of 272 units for very low income and low income individuals and families. ~~Ten~~ Twenty-four percent (~~10~~24%) of the units will be available to and occupied by households whose incomes do not exceed the maximum income of low income households in Los Angeles County as determined by the California Department of Housing and Community Development, pursuant to the terms of this Agreement; provided, the Owner acknowledges that all other units at the Residential Development (excluding three property manager units) will be restricted as affordable to Lower Income

Households (as defined below) for the Term (as defined below) pursuant to a regulatory agreement for the benefit of the California Tax Credit Allocation Committee (the "CTCAC").

D. Under California Government Code Section 65915, *et seq*. and Palmdale Municipal Code Section 17.25.020, the City must, upon the request of an applicant, grant a density bonus and/or certain incentives/concessions and/or waivers/modifications for any development applicant that seeks and agrees to construct a minimum number of housing units that are affordable to low or very low income households (the "Density Bonus Law").

E. The subject site has a General Plan Land Use Designation of Mixed Use 3 and is zoned MU-3 (30 to 50 units per acre). In order to provide for affordable housing cost of the low-income units and to accommodate the density of the Residential Development, the Owner has requested cost-saving concessions and waivers in accordance with California Government Code Section 65915, *et seq*. and Palmdale Municipal Code Section 17.25.020, as follows:

a. A waiver of the requirement of Palmdale Municipal Code ("PMC") Section 17.55.010 to provide private enclosed storage.

b. A waiver of the requirement of PMC Section 17.55.010 to provide 15 feet of front setback and 15 or 20 feet (as applicable) of rear setback. Instead, the project shall provide 10 feet of front setback and 9 feet of rear setback.

c. A waiver of the requirement of PMC Sections 17.87.090(B)(6)(d) and 17.87.090(C)(5) that (i) garages and carports serving residential uses shall be constructed to have minimum inside dimensions of 10 feet in width by 40 feet in length, and (ii) tandem parking to meet required parking for multifamily residential development shall be located within an enclosed structure and shall not exceed twenty-five percent (25%) of the total number of spaces. Instead, the project shall provide (i) tandem garages that are 10 feet in width by 35 feet in length, (ii) uncovered tandem spaces that are 9 feet in width by 33 feet in length, and (iii) forty-two percent (42%) tandem parking spaces.

d. A waiver of the requirement of Development Standard 5.2 that all new multi-family residential development projects that include more than one building shall maintain a minimum open-to-the-sky separation of 30 feet between structures to allow for landscape, courtyards, passageways, and paseos. Instead, the project shall provide a break between multifamily structures of no less than 12 feet up to 21 feet.

e. A waiver of the requirement of PMC Section 17.87.090(A)(1)(b)(i) that (i) off-street parking spaces for multifamily dwelling types shall be located no more than 200 feet from the dwelling unit for which the parking space is provided, and (ii) no parking space shall be located in the required front, side, or rear setback area. Instead, the project shall provide 16 spaces in the

rear setback area, 3 spaces in the front setback area, and 8 spaces in the east side setback area.

f. A concession to PMC Sections 12.04.140 through 12.04.170, which require utilities to be installed underground. Instead, electricity, telecom, and similar lines will be installed aboveground, which results in a costs savings.

g. A concession to PMC Section 8 (Cal Green 2022 Code 4.106.4) that requires forty percent (40%) of all parking stalls be "EV Ready" with an available 240-volt outlet at each stall and an additional ten percent (10%) of stalls have an EV Charger, unless the City determines these are not required and would adversely increase construction cost (Cal Green 2022 Code 4.106.4). The concession would remove these requirements, which results in a savings of approximately $500,000.

h. A concession to the Multifamily/Mixed Use Residential Standards Section 5.2.7, which requires roofing materials for sloped roofs to be terracotta or similar tile, standing seam metal or similar, slate or equal, synthetic shake or equal, or an alternative material as determined by the Director. The project would have asphalt shingles, which results in a cost savings compared to the roofing materials permitted.

F. The City and the Owner enter into this Agreement pursuant to and in accordance with California Government Code Section 65915, *et seq*., and Section 17.25.020 of the Palmdale Municipal Code, in order to provide housing for lower income households.

G. The City finds that granting the waivers listed under Recital E, above, (i) is required to ensure City development standards are not applied that will have the effect of physically precluding construction of the ~~Project~~ project, (ii) will not have a specific, adverse impact upon health and safety, and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact; or (iii) will not have an adverse impact on any real property that is listed in the California Register of Historical Resources, and is consistent with state and federal law. The City also finds that the Residential Development is consistent with the General Plan.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are true and correct, and incorporated herein.

2. Definitions. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

a. "Adjusted for Household Size Appropriate for the Unit" means a household of two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, and four persons in the case of a three-bedroom unit.

b. "Affordable Rent" shall have the meaning ascribed to it under California Health and Safety Code Section 50053(b)(2).

c. "Affordable Unit" means a dwelling unit that will be offered for rent exclusively to an Income Eligible Household at an Affordable Rent pursuant to this Agreement (namely, ~~ten~~ twenty-four percent (~~10~~24%) of the units in the Residential Development).

d. "Director" means City's Department of Housing Director, or his or her designee.

e. "Income Eligible Household" means a Low Income Household which is eligible to rent a particular Affordable Unit.

f. "Lower Income Household" shall have the meaning ascribed to it under California Health and Safety Code Section 50079.5. The upper income limit for Lower Income Households shall be the income limits for such households published annually by the California Department of Housing and Community Development with adjustments for household size.

g. "Management Plan" means a plan prepared by the Owner and approved by the Director describing in detail the management of the Affordable Units, including marketing of the Affordable Units, tenant selection criteria and process, waiting list management, application of Utility Allowances in setting Affordable Rents, and similar details of the operation, annual monitoring inspections and file review, and a schedule of initial rents.

h. "Occupancy Date" means the earlier to occur of (i) issuance of a Certificate of Occupancy by the City or (ii) issuance of a Temporary Certificate of Occupancy by the City.

i. "Owner" means the person or entity defined as such in the introductory paragraph of this Agreement, and includes all successors and assigns of that person or entity.

j. "Property" shall have the meaning defined in Recital A, as more particularly described in Exhibit "A" attached hereto and incorporated herein.

k. "Residential Development" shall have the meaning given in Recital B.

l. "Utility Allowance" means an amount designated annually by the CTCAC as a reasonable estimate of the cost of utilities for the Affordable Unit, for purposes of calculating the applicable Affordable Rent or as determined using the California Utility Allowance Calculator.

3. Approvals. The Residential Development shall be developed in accordance with all applicable provisions of the Palmdale Municipal Code.

4. Affordable Units. The Owner hereby covenants and agrees that ~~ten~~ twenty-four percent (~~10~~24%) of the units in the Residential Development shall be rented exclusively to Lower Income Households at an Affordable Rent; provided, the Owner acknowledges that all other units at the Residential Development (excluding three property manager units) will be restricted as affordable to Lower Income Households for the Term pursuant to a regulatory agreement for the benefit of the CTCAC.

5. Affordable Rents. Affordable Rents for Affordable Units, including Utility Allowances, shall be based on the Los Angeles County Area Median Income published by the CTCAC, as may be amended from time to time. Affordable Rents may not be increased more frequently than annually to reflect increases in Area Median Income.

6. Term of Affordability Covenants. The covenants to restrict the rental of the Affordable Units in accordance with this Agreement shall remain in effect for a term commencing on the Occupancy Date and continuing for fifty-five (55) years (the "Term"). Prior to recording of this Agreement, the Owner must deliver to the City a Lenders Consent and Subordination Agreement ("Lender Consent"), in the form appended to this Agreement, from each lender that will hold a security interest in the Property that is in a senior position to this Agreement. Such Lender Consents shall be recorded as a substantive part of this Agreement.

7. Management Plan. The Owner shall submit the Management Plan for the Director's consideration and approval at least one hundred eighty (180) days prior to the date that the Owner applies for a Certificate of Occupancy for the Residential Development. Such approval shall not be unreasonably withheld. In addition to other components, the Management Plan shall contain the following:

i. Whenever an Affordable Unit becomes available, the Director shall be notified promptly in writing.

ii. The Owner shall conduct affirmative marketing of the Affordable Units, as they become available from time to time, including wide circulation of information and public notice of the availability of Affordable Units for rent during the marketing period required by the Management Plan.

iii. The Owner shall determine eligibility of Low Income Households that may lease the Affordable Units in accordance with the Management Plan.

8. Changes in Tenant Income. A tenant who initially qualified as a Low Income Household, but who, due to an increase in income, no longer qualifies as a Low Income Household shall pay as rent an amount that is the least of the amount that would be payable by the tenant under (i) low income housing tax credit regulations, (ii) State or local law, or (iii) thirty percent (30%) of the household's adjusted gross income.

9. Utilization of Affordable Rental Units. All Affordable Units required by this Agreement shall be leased or rented and fully utilized in accordance with this Agreement; notwithstanding any other provision of law to the contrary, no Affordable Unit shall be withdrawn from the market or otherwise held vacant.

10. No Sublease. A tenant occupying an Affordable Unit may not sublet the unit without the written permission of both the Owner and the City. The City shall not grant permission to lease, rent, or sublet the unit if it finds that the prospective tenant or occupant is not an Income Eligible Household. Any individual who subleases an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to the City all monetary amounts so obtained.

11. Lease Agreement. A fully executed copy of the lease agreement for each Affordable Unit, which shall comply with the provisions of this Agreement, shall be delivered to the City's Department of Housing within ten (10) days of written request of the City, not more than once per annum.

12. Maintenance of Units. The Owner shall: (a) maintain and operate all units on the Property so as to provide decent, safe and sanitary housing consistent with federal housing quality standards and the Palmdale Municipal Code; (b) make any required repairs or provide any required cleanup; and (c) provide the Affordable Units with the same levels of services and maintenance as are provided to any of the other dwelling units on the Property.

13. Annual Report. The Owner shall maintain complete and accurate records pertaining to the Affordable Units and shall prepare and provide the Director with a written annual report commencing one year after the Occupancy Date and continuing every year for fifty-five (55) years, regarding the rental status of the units. The report shall include information regarding the name, address, and income of each resident of the Affordable Units, identify the number of bedrooms of the unit and the monthly rent paid by the tenant. The City acknowledges that the Owner's CTCAC annual compliance report, containing all requisite information as specified above, shall be deemed sufficient to meet the Owner's reporting requirement pursuant to this Agreement. So long as permitted by law, concurrently with the submittal of each annual report to the City, the Owner shall pay a monitoring fee to the City in the amount of Three Thousand Dollars ($3,000) with a maximum increase of ~~2%~~ two percent (2%) per year to defray the City's cost of monitoring the Owner's compliance with this Agreement. The Owner's failure to make such required payment shall be a default under this Agreement. Pursuant to California Government Code Section 65915.3(b), the foregoing monitoring fee requirement shall not apply during any period when the Property is subject to a CTCAC regulatory agreement and all other requirements of Section 65915.3(b) are met.

14. Federal and State Laws. Notwithstanding the above provisions, nothing contained herein shall require the Owner or the City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated thereunder applicable to the construction, management, maintenance, and rental of Affordable Units in the City of Palmdale.

15. Prohibition Against Discrimination. The Owner shall not discriminate against any tenant or potential tenant on the basis of sex, color, race, ethnicity, religion, ancestry, national origin, age, pregnancy, marital status, family composition, sexual orientation, or the potential or actual occupancy of minor children. The Owner further agrees to take affirmative action to ensure that no such person is discriminated against for any of the above-mentioned reasons.

16. Indemnification. The Owner shall defend, indemnify, and hold harmless the City of Palmdale and its officers, agents, employees, representatives, and volunteers from and against any loss, liability, claim, or judgment relating solely to this Agreement, including those claims that arise out of: (a) a breach of this Agreement by the Owner; (b) related in any manner to the Owner's administration of this Agreement; or (c) arising out of the City's interest in this Agreement or Affordable Units. This indemnification shall not apply to claims arising out of the negligence or willful misconduct of the City, its officers, agents, employees, representatives, or volunteers.

17. City's Right to Inspect Units and Documents. The City may inspect the Affordable Units (subject to the tenant's privacy rights and lease provisions) and any documents or records relating thereto, at any reasonable time in order to determine the Owner's compliance with this Agreement.

18. Successors and Assigns. This Agreement and its covenants and conditions shall run with the land and be binding upon and inure to the benefit of the City and the Owner, and their respective successors, owners by deed, deed in-lieu of foreclosure, foreclosure or otherwise, and assigns. The City reserves the right to designate another public agency within the City of Palmdale to perform the City's obligations or to exercise the City's rights under this Agreement.

19. Notices. All notices required herein shall be sent by certified mail, return receipt requested, or express delivery service with a delivery receipt and shall be deemed to be effective on the date received or the date delivery was refused as indicated on the return receipt, as follows:

To Owner:
Palmdale Family Apartments Ltd.
401 Wilshire Blvd
11th Floor
Santa Monica CA 90401
Attention: President

with a copy to:
Cohen Liuzzo PLLC
88 Pine Street ~~14th Floor~~
STE 1430
New York, New York 10005
Attention: Eleor Cohen, Esq.

To City: City of Palmdale
38250 Sierra Highway
Palmdale, California 93550-4798
Attn: Director of Housing

with a copy to: City of Palmdale
38300 Sierra Highway
Palmdale, California 93550-4798
Attn: City Attorney

The parties hereto may subsequently change addresses ~~or add parties who require copies of any notices~~ by providing written notice of the change in address to the other party hereto in accordance with this Section.

20. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Los Angeles, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Central District of California.

21. Default. Failure or delay by either party hereto to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of notice from the other party, constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, correction, or remedy with due diligence. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not initiate proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. If applicable, the City agrees to accept cures tendered by the Investor Limited Partner of the Owner within the cure periods provided in this Agreement. Notwithstanding the foregoing, for so long as Freddie Mac is the holder of the senior note, prior to the City enforcing any remedies hereunder following a default, it shall provide notice to Freddie Mac at the address set forth below and provide Freddie Mac with sixty (60) days from the date of receipt of such notice to cure such default.

Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive
McLean, Virginia 22102
Attention: Multifamily Operations - Loan Accounting
Email: mfla@freddiemac.com
Telephone: (703) 714-4177

With copies to:

Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive
McLean, Virginia 22102
Attention: Managing Associate General Counsel - Multifamily Legal Division
Email: jennifer_davila@freddiemac.com

Wells Fargo Bank, National Association
1751 Pinnacle Drive, 8th Floor
McLean, Virginia 22102
Email: WFMCServicing@wellsfargo.com
Attention: Servicing Department

22. Remedies.

a. Any individual who rents (including subleasing) an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to the City all monetary amounts so obtained.

b. The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Agreement, including, but not limited to, actions for injunctive relief or damages.

c. It is agreed and understood that the covenants to maintain the Affordable Units as set forth herein are a requirement of the Palmdale Municipal Code and as a condition to receiving zoning and parking concessions/incentives/waivers under the Palmdale Municipal Code, the Owner agrees that a breach of the covenants to maintain the Affordable Units as affordable housing for the Term specified herein constitutes a violation of the Palmdale Municipal Code, subject to enforcement by all legally available means.

23. Attorneys' Fees. In any action brought to declare the rights granted herein or to enforce or to interpret any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs in an amount determined by the court.

24. Non-Waiver. Failure to exercise any right either party hereto may have or be entitled to in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

25. Further Assurances and Recordation. The parties hereto shall cause this Agreement to be recorded in the Official Records of the County of Los Angeles. The Owner shall execute

any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable, or proper as the City shall from time to time find necessary or appropriate in order to effectuate its purpose in entering into this Agreement.

26. Entire Agreement. This Agreement, including any Lender's Consent and Subordination Agreements, and all attached Exhibits, constitutes the entire agreement between the parties hereto. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement, or promise not contained in this Agreement shall not be valid or binding. This Agreement may be amended only by written instrument signed by both the City and the Owner.

27. Third Party Beneficiaries. There are no third party beneficiaries of or to this Agreement.

28. Amendment of Agreement.

a. Generally. This Agreement may be amended from time to time in whole or in part by mutual consent of the original parties hereto or their successors in interest, in accordance with this Agreement, the Palmdale Municipal Code, and the Density Bonus Law.

b. Administrative Amendments. Notwithstanding subdivision (a) of this Section, any amendment to this Agreement, whether requested by the Owner or by the City, which does not relate to the Term; the number, percentage, or type of Affordable Units; or the number or type of any incentives or concessions given by the City, may be determined by the Director to be an administrative amendment and, if so, the Director shall approve the administrative amendment without notice or hearing, and this Agreement and its pertinent exhibits shall be automatically amended without further action by the parties hereto. A memorandum of the amendment shall be executed and recorded in order to reflect such administrative amendment.

29. Counterparts. This Agreement may be executed by each party hereto on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

[*signatures follow*]

IN WITNESS WHEREOF, the City and the Owner have executed this Agreement as of the date set forth above.

CITY
CITY OF PALMDALE,
a municipal corporation

By: _____
Salvador Mendez
City Manager ~~Pro Tem~~

Dated: _____

ATTEST:

By: _____
~~Roxanne Faber~~
~~City Clerk~~
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Alexandra ~~Halfman~~ Severino
City Attorney

KANE, BALLMER & BERKMAN
City Special Counsel

By: _____
Todd C. Mooney

OWNER
PALMDALE FAMILY APARTMENTS LP,
a California limited partnership

By: Palmdale Family GP LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: _____
Title: _____

Dated: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

FORM OF
LENDER'S CONSENT AND SUBORDINATION AGREEMENT

NOTICE: THIS LENDER'S CONSENT AND SUBORDINATION RESULTS IN YOUR SECURITY INTERESTS IN THE PROPERTY BECOMING SUBJECT TO AND OF A LOWER PRIORITY THAN THIS DENSITY BONUS HOUSING AGREEMENT

The undersigned (the "Lender"), as owner and holder of security interests ("Security Interests") evidenced by that certain [Deed of Trust With Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing] made by the Owner as trustor in favor of _____ as beneficiary, dated as of _____ and recorded on _____ as Instrument No._____ in the Official Records of the County of Los Angeles, State of California, hereby acknowledges its consent to the terms and provisions of this Density Bonus Housing Agreement. The undersigned further agrees that its Security Interests are and shall unconditionally be and remain at all times junior, subordinate, and subject to the terms, covenants, conditions, and restrictions of this Density Bonus Housing Agreement, provided that in consideration of the Lender's covenants and agreements contained in this Agreement, the City and its designated agencies hereby agree for the benefit of the Lender that concurrently with any notice from the City to the Owner that a default or breach exists under the terms of this Density Bonus Housing Agreement, the City shall send a copy of such notice to the Lender, and the Lender shall have the right, but not the obligation, to cure any defaults within thirty (30) days after the expiration of any cure period set forth in the notice from the City to the Owner regarding such Owner default. The provisions of this consent are intended to supplement, and not to limit, waive, modify, or replace those provisions of law pertaining to notice and cure rights of junior lenders including, without limitation, those set forth in California Civil Code Sections 2924b and 2924c. The Lender intentionally and unconditionally waives, relinquishes, and subordinates the lien or charge of the Security Interests in favor of this Density Bonus Housing Agreement.

AGREED AND ACKNOWLEDGED:

Dated as of: _____ "LENDER"

By. _____
Name: _____
Title: _____

[*notarized signature required*]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

EXHIBIT A

Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

THE NORTH HALF OF THE SOUTH HALF OF THE EAST HALF OF LOT 14 IN SECTION 19, TOWNSHIP 6 NORTH, RANGE 11 WEST, SBBM, IN PALMDALE COLONY LANDS, AS PER MAP RECORDED IN BOOK 11, PAGE 11 OFMISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY.

PARCEL TWO:

THE SOUTH HALF OF THE SOUTH HALF OF THE EAST HALF OF LOT 14 IN SECTION I9, TOWNSHIP 6 NORTH, RANGE 11 WEST, SBBM, IN PALMDALE COLONY LANDS, AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY

APNs: 3022-012-036 & 3022-012-037

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **ADOPT ORDINANCE NO. 1667, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING ZONING ORDINANCE AMENDMENT NO. 26-0002 TO MODIFY REQUIREMENTS RELATED TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS TO ENSURE COMPLIANCE WITH STATE LAW AND FIND THAT THE AMENDMENT IS EXEMPT FROM ENVIRONMENTAL REVIEW**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive public testimony regarding proposed Ordinance No. 1667; and,

2. Adopt Ordinance No. 1667, an Ordinance of the City Council of the City of Palmdale, approving Zoning Ordinance Amendment (ZOA) 26-0002 to modify requirements related to Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) to ensure compliance with state law; and,

3. Find that the request is exempt from environmental review.

BACKGROUND

In 2025, the State of California enacted and amended Government Code Sections 66310 through 66342 to facilitate the development of ADUs and JADUs. These statutes preempt local regulations that conflict with state law. The City's current ADU and JADU regulations were adopted prior to these amendments and the renumbering of the State ADU law. A review of the Palmdale Municipal Code (PMC) identified provisions that are no longer consistent with State requirements and must be updated to ensure compliance.

On March 19, 2026, the Planning Commission adopted Resolution No. PC-2026-003 recommending City Council approval of ZOA 26-0002.
On April 7, 2026, the City Council continued Ordinance No. 1667 to allow staff additional time to address the public testimony received for this item.

DISCUSSION

In recent years, the California Legislature has enacted laws to address the State's housing shortage by facilitating the development of ADUs and JADUs. These laws limit local regulation of ADUs and JADUs and require local ordinances to be consistent with State law.

The proposed amendments update PMC Chapter 17.91.010 (ADU and JADU standards) to ensure compliance with Government Code Sections 66310 through 66342. Updates include revising statutory citations, clarifying ministerial review of ADU applications, updating provisions related to the number and size of ADUs and JADUs, revising deed restriction and owner-occupancy provisions, and clarifying that construction of an ADU does not trigger a requirement to install fire sprinklers in an existing primary dwelling.

The proposed ZOA is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code Section 21080.17, which exempts the adoption of an ordinance implementing the provisions of State law relating to ADUs and JADUs.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action. There is currently no proposed development, and as such, this action has no fiscal impact; however, it will support the development of diverse housing types, which may contribute to increased property values.

STRATEGIC PLAN

Goal IV: Maintain a desirable community where everyone wants to live, work, and play.

A. Support opportunities to celebrate rich traditions and diverse cultures in the community.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Ordinance No. 1667
Reso. No. PC-2026-003

CITY OF PALMDALE, A CHARTER CITY,
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1667

ADOPT ORDINANCE NO. 1667, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING ZONING ORDINANCE AMENDMENT NO. 26-0002 TO MODIFY REQUIREMENTS RELATED TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS TO ENSURE COMPLIANCE WITH STATE LAW AND FIND THAT THE AMENDMENT IS EXEMPT FROM ENVIRONMENTAL REVIEW

A. INTENT OF THE CITY COUNCIL:

1. The City of Palmdale (City) has filed an application that applies to the City and the City's sphere of influence, requesting approval of Zoning Ordinance Amendment (ZOA) 26-0002, to modify requirements related to accessory dwelling units (ADUs) and Junior Accessory Dwelling Units (JADUs) to ensure compliance with state law (hereinafter referred to as "Application").

2. The City has reviewed Title 17 of the Palmdale Municipal Code (PMC) as it relates to ADUs and JADUs and determined that certain provisions require amendments to ensure consistency with state law; and

3. The proposed amendments clarify ministerial approval procedures, development standards, fire sprinkler requirements, owner occupancy requirements for JADUs, utility connection requirements, and other related provisions; and

4. On March 19, 2026, the Planning Commission adopted Resolution No. PC-2026-003 recommending City Council approval of ZOA 26-0002; and

5. On April 7, 2026, the City Council of the City of Palmdale conducted a duly noticed public hearing and continued the item to the May 5, 2026, City Council meeting. All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE

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

SECTION 1. Palmdale Municipal Code Section 17.91.010 (Accessory dwelling unit and junior accessory dwelling unit standards) is hereby amended to read as follows:

§ 17.91.010 Accessory dwelling unit and junior accessory dwelling unit standards.

(A) Purpose. The intent of this Section is to allow and regulate accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in compliance with Government

Code Sections ~~65852.2 and 65852.22,~~ 66310 through 66342, and that such dwelling units do not adversely impact surrounding residents or the community.

(B) Applicability. Except as authorized by Federal or State law regulations, accessory dwelling units are allowed only in zones where single-family or multifamily residential units are allowed. Junior accessory dwelling units are allowed only in single-family dwellings.

(C) General Plan Consistency. In adopting these standards, the City recognizes that the approval of accessory dwelling units or junior accessory dwelling units may, in some instances, result in densities exceeding the maximum densities prescribed by the General Plan. The City finds that this occurrence is consistent with the General Plan, as allowed under State planning and zoning law applicable to accessory dwelling units, and that this Title furthers the goals, objectives, and policies of the General Plan.

(D) ~~Maximum~~ Number of Accessory Dwelling Units and Junior Accessory Dwelling Units per Lot.

1. Single-Family Residences. For a lot with a proposed or existing single-family residence, the following shall be permitted: ~~For lots with a proposed or existing single-family residence, one accessory dwelling unit and one junior accessory dwelling unit may be on the lot, as follows~~

    a. One accessory dwelling unit and one junior accessory dwelling unit per lot may be constructed within an existing or proposed single-family or accessory structure, including the construction of up to a 150-square-foot expansion beyond the same physical dimensions as the existing accessory structure to accommodate ingress and egress; and

    b. One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks. ~~and one junior accessory dwelling unit and one junior accessory dwelling unit built within the existing or proposed single-family dwelling~~

2. Multifamily Residences. For lots with a proposed or existing multifamily residential dwelling, no junior accessory dwelling units are allowed. However, if there is an existing multifamily residential structure, the following are allowed:

    a. Uninhabitable portions of the existing main structure (e.g., storage rooms, boiler rooms, hallways, attics, basements, or garages) may be converted to an accessory dwelling unit(s); provided, that the maximum number of such accessory dwelling units shall not exceed 25 percent of the number of the

existing residential units on the lot; provided, that applicable building standards are met; and

b. No more than eight ADUs that are detached from the multifamily dwelling, however the number of accessory dwelling units allowed shall not exceed the number of existing units on the lot; provided, that no such unit shall exceed the height limits as established in Subsection (F)(9) of this Section, and each such unit complies with the setbacks specified within Subsection (F)(4) of this Section. ~~The maximum square footage of detached accessory dwelling units on lots with existing multifamily residential dwellings shall be 800 square feet each.~~

E. General ADU and JADU Requirements.

1. Ministerial Approval. Any application for an accessory dwelling unit or junior accessory dwelling unit ~~which~~that meets the ~~standards~~standard of this ~~Section~~section shall be approved ministerially pursuant to PMC Section 17.26.030 (Zoning clearance review) and Government Code Section ~~65852.2(a)(3).~~ 66323, as applicable.

2. Conveyance. Except as authorized by Government Code Section ~~65852.26,~~ 66340, accessory dwelling units and junior accessory dwelling units may not be sold or otherwise conveyed ~~separate~~ separately from the primary residence.

3. Rental Restrictions. Rental periods for accessory dwelling units and junior accessory dwelling units shall not be less than 31 days.

4. Recorded Covenants. Before obtaining a permit for ~~an accessory dwelling unit or~~ a junior accessory dwelling unit, the property owner shall file with the County Recorder a declaration or agreement of restrictions, which has been approved by the City Attorney as to its form and content. The covenants for the accessory dwelling unit or junior accessory dwelling unit shall describe restrictions that allow for the continued use of the accessory dwelling unit or junior accessory dwelling unit as follows:

(a) The ~~accessory dwelling unit or~~ junior accessory dwelling unit shall not be sold separately from the primary residence unless otherwise exempted by the provisions of Government Code Section 65852.2(a)(1)(D);

(b) The ~~accessory dwelling unit or~~ junior accessory dwelling unit shall not be rented for periods of less than 31 days;

(c) The restrictions shall be binding upon any successor in ownership of the property, and lack of compliance shall result in legal action against the property owner for noncompliance with the standards for a ~~an accessory dwelling unit or~~ junior accessory dwelling unit;

(d) For junior accessory dwelling units, owner complies with the development standards and owner-occupancy requirements consistent with Subsection (G) of this Section (Junior Accessory Dwelling Units – Specific Standards.

5. Building Standards. All accessory dwelling units and junior accessory dwelling units must comply with PMC Chapter 8.04 (Adoption of Health, Safety and Technical Construction Codes) and any other applicable provisions of the California Building Standards Code and the California Fire Code.

6. City/Public Utilities.

(a) Utilities Required. All accessory dwelling units and junior accessory dwelling units must be properly connected to public utilities, including water, electric, and sewer (or septic) services. Junior accessory dwelling units with separate bathroom facilities and accessory dwelling units may not be attached to a septic system unless approved by the County of Los Angeles Public Health Department.

(b) Impact Fees. No impact fees shall be imposed on a junior accessory dwelling unit or an accessory dwelling unit less than 750 square feet in size.

(c) Separate Connections. If an accessory dwelling unit or junior accessory dwelling unit is constructed with a new single-family home, a separate utility connection directly between the accessory dwelling unit or junior accessory dwelling unit and the utility and payment of the normal connection fee and capacity charge for a new dwelling shall be required. If, however, the accessory dwelling unit or junior accessory dwelling unit is constructed within an existing single-family structure, then the City cannot require a separate utility connection.

7. Easements. No accessory dwelling unit or junior accessory dwelling unit may be constructed in a location that would violate any easement unless approved in writing by the holder of the easement.

8. Accessibility Standards. New construction of any ground level accessory dwelling unit and/or junior accessory dwelling unit is encouraged to be designed and constructed to allow for disability/accessibility standards by providing plans which

demonstrate adequate door and hallway widths, maneuvering space in kitchens and bathrooms, and structural reinforcements for grab bars.

9. Nonconforming. Accessory dwelling units and junior accessory dwelling units shall not be required to correct legal nonconforming zoning conditions as a precondition to obtaining authorization to construct.

10. Fire Sprinkler Requirements. Accessory dwelling units and junior accessory dwelling units shall not be required to include fire sprinklers if they are not required for the primary residence. Pursuant to Government Code Section 66314, subdivision (d)(12), the construction of an accessory dwelling unit shall not trigger a requirement to install fire sprinklers in an existing primary dwelling.

11. Zone Conformity. Except as otherwise provided in this Section and/or where such standards would conflict with State law, accessory dwelling units and junior accessory dwelling units shall conform to all other development standards of the underlying zone.

G. Junior Accessory Dwelling Units – Specific Standards

1. Owner Occupancy. Pursuant to Government Code Section 66333(b), ~~The~~ owner occupancy shall be required if ~~must reside either in~~ the junior accessory dwelling unit shares sanitization facilities with the existing primary dwelling. In such cases, the owner shall reside in either the single-family residence or the junior accessory dwelling unit as the owner's principal residence. Owner-occupancy is not required if the owner is a governmental agency, land trust, or "housing organization" as that term is defined in Government Code Section 65589.5(k)(2), as that section may be amended from time to time.

SECTION 2. The City Council hereby finds as follows with respect to the environmental document:

A The proposed Zoning Ordinance Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code Section 21080.17, which exempts the adoption of an ordinance implementing the provisions of State law relating to ADUs and JADUs.

B The custodian of records for the environmental document and all other materials which constitute the record of proceedings upon which the Planning Commission's decision is based is the Planning Manager of the City of Palmdale. These documents are available for public review in the Planning Division of the City of Palmdale located at 38250 Sierra Highway, Palmdale, California 93550, telephone (661) 267-5200

SECTION 3. Based upon substantial evidence presented to the City Council during the above-referenced April 7, 2026, public hearing, including public testimony, and written and oral staff report, the City Council specifically finds as follows:

A The proposed ZOA conforms with the goals, objectives, and policies of the General Plan.

B The proposed ZOA is necessary to implement the General Plan and to provide public safety, convenience and/or general welfare.

The approval of the proposed ZOA will ensure compliance with state law regarding ADUs and JADUs. Furthermore, the proposed amendment aligns with the City's general plan by supporting the development of neighborhoods that offer a variety of housing options, enabling individuals of all ages, abilities, socioeconomic statuses, and family sizes to live in Palmdale.

SECTION 4. Based on the findings and conclusions outlined in Sections 1, 2 and 3, this City Council approves ZOA 26-0002 and finds that the project is exempt from environmental review.

SECTION 5. 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 6. All legal prerequisites and pre-conditions to introducing, enacting, and adopting this Ordinance have occurred as required by law and policy. Except to extent amended herein, all other provisions of Palmdale Municipal Code section 17.91.010 remain in effect as previously adopted.

SECTION 7. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

PASSED, APPROVED and **ADOPTED** this 5th day of May, 2026.

_____
Eric Ohlsen, Mayor

Approved as to form:

_____
Alexandra Severino, City Attorney

Attest:

_____
Rochelle Scott, City Clerk

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 5th day of May, 2026 effective on the 5th day of June, 2026 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

PLANNING COMMISSION
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. PC-2026-003

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE, RECOMMENDING CITY COUNCIL APPROVAL OF ZONING ORDINANCE AMENDMENT 26-0002 TO MODIFY THE ZONING ORDINANCE AS IT RELATES TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS TO ENSURE COMPLIANCE WITH STATE LAW AND FIND THAT THE AMENDMENT IS EXEMPT FROM ENVIRONMENTAL REVIEW

WHEREAS, the City of Palmdale (City) has filed an application that applies to the City and the City's sphere of influence, requesting approval of Zoning Ordinance Amendment (ZOA) 26-0002, to modify the Zoning Ordinance as it relates to accessory dwelling units (ADUs) and Junior Accessory Dwelling Units (JADUs) to ensure compliance with state law (hereinafter referred to as "Application").

WHEREAS, the City has reviewed the Zoning Ordinance as it relates to ADUs and JADUs and determined that certain provisions require amendments to ensure consistency with current state law; and

WHEREAS, the proposed amendments clarify ministerial approval procedures, development standards, fire sprinkler requirements, owner occupancy requirements for JADUs, utility connection requirements, and other related provisions; and

WHEREAS, the Planning Commission recommends that the City Council find that the amendments are necessary to ensure compliance with state law; and

WHEREAS, on March 19, 2026, the Planning Commission of the City of Palmdale conducted a duly noticed public hearing on the Application and concluded said hearing on that date. 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. Palmdale Municipal Code Section 17.91.010 (Accessory dwelling unit and junior accessory dwelling unit standards) is hereby amended to read as follows:

§ 17.91.010 Accessory dwelling unit and junior accessory dwelling unit standards.

D. Purpose. The intent of this Section is to allow and regulate accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in compliance with Government Code Sections ~~65852.2 and 65852.22,~~ 66310 through 66342, and that such dwelling units do not adversely impact surrounding residents or the community.

1. Single-Family Residences. For lots with a proposed or existing single-family residence, ~~no more than one accessory dwelling unit and no more than one junior accessory dwelling unit may be on the lot, as follows:~~ the City shall ministerially approve the following:

a. One accessory dwelling unit and one junior accessory dwelling unit per lot ~~may be constructed within an existing or proposed single-family or accessory structure, including the construction of up to a 150-square-foot expansion beyond the same physical dimensions as the existing accessory structure to accommodate ingress and egress; or~~, subject to the following:

i. The accessory dwelling unit may be created withing the existing or proposed single-family or accessory structure, including the construction of up to a 150-square-foot expansion beyond the same physical dimensions as the existing accessory structure to accommodate ingress and egress; and,

ii. The junior accessory dwelling unit shall be created within the existing or proposed single-family dwelling.

b. One detached, ~~new construction~~newly constructed accessory dwelling unit and one junior accessory dwelling unit built within the existing or proposed single-family dwelling.

1. Multifamily Residences. For lots with a proposed or existing multifamily residential dwelling, no junior accessory dwelling units are allowed. However, if there is an existing multifamily residential structure, the following are allowed:

c. No more than eight ADUs that are detached from the multifamily dwelling, however the number of accessory dwelling units allowed shall not exceed the number of existing units on the lot; provided, that no such unit shall exceed the height limits as established in Subsection (F)(9) of this Section, and each such unit complies with the setbacks specified within Subsection (F)(4) of this Section. The maximum square footage of detached accessory dwelling units on lots with existing multifamily residential dwellings shall be ~~800 square feet each.~~850 square feet for a unit with one bedroom or less, and 1,000 square feet for a unit with two bedrooms.

E. General ADU and JADU Requirements.

1. Ministerial Approval. Any application for an accessory dwelling unit or junior accessory dwelling unit ~~which~~that meets the ~~standards~~standard of this ~~Section~~section shall be approved ministerially pursuant to PMC Section 17.26.030 (Zoning clearance review) and Government Code Section ~~65852.2(a)(3).~~ 66323, as applicable.

2. Conveyance. Except as authorized by Government Code Section ~~65852.26,~~ 66340, accessory dwelling units and junior accessory dwelling units may not be sold or otherwise conveyed ~~separate~~separately from the primary residence.

~~3. Recorded Covenants. Before obtaining a permit for an accessory dwelling unit or junior accessory dwelling unit, the property owner shall file with the County Recorder a declaration or agreement of restrictions, which has been approved by the City Attorney as to its form and content. The covenants for the accessory dwelling unit or junior accessory dwelling unit shall describe restrictions that allow for the continued use of the accessory dwelling unit or junior accessory dwelling unit as follows:~~

~~d. The accessory dwelling unit or junior accessory dwelling unit shall not be sold separately from the primary residence unless otherwise exempted by the provisions of Government Code Section 65852.2(a)(1)(D);~~

~~a. The accessory dwelling unit or junior accessory dwelling unit shall not be rented for periods of less than 31 days;~~

~~b. The restrictions shall be binding upon any successor in ownership of the property, and lack of compliance shall result in legal action against the property owner for noncompliance with the standards for an accessory dwelling unit or junior accessory dwelling unit;~~

~~c. For junior accessory dwelling units, owner complies with the development standards and owner-occupancy requirements consistent with Subsection (G) of this Section (Junior Accessory Dwelling Units – Specific Standards.~~

~~10.~~9 Fire Sprinkler Requirements. Accessory dwelling units and junior accessory dwelling units shall not be required to include fire sprinklers if they are not required for the primary residence. Pursuant to Government Code Section 66314, subdivision (d)(12), the construction of an accessory dwelling unit shall not trigger a requirement to install fire sprinklers in an existing primary dwelling.

~~11.~~10Zone Conformity. Except as otherwise provided in this Section and/or where such standards would conflict with State law, accessory dwelling units and junior accessory dwelling units shall conform to all other development standards of the underlying zone.

F. Accessory Dwelling Units – Specific Standards.

11. Passageway

b. For the purposes of this Section, "passageway" shall have the same meaning as that stated in Government Code Section ~~65852.2~~66314 as that section may be amended from time to time.

G. Junior Accessory Dwelling Units – Specific Standards

1. Owner Occupancy. ~~The~~Pursuant to Government Code Section 66333(b), owner ~~must reside either in~~occupancy shall be required only if the junior accessory dwelling unit ~~or in~~shares sanitation facilities with the existing primary dwelling. In such cases, the owner shall reside in either the single-family residence or the junior accessory dwelling unit as the owner's principal residence. Owner-occupancy is not required if the owner is a governmental agency, land trust, or "housing organization" as that term is defined in Government Code Section 65589.5(k)(2), as that section may be amended from time to time.

H. Conflicts Between This Section and State Law. Should there be any conflict between this Section and California Government Code Sections ~~65852.2 and 65852.22~~ 66310 through 66342 as amended from time to time, then the provisions of the above cited Government Code sections shall prevail.

SECTION 2. The Planning Commission hereby finds as follows with respect to the environmental document:

A The proposed Zoning Ordinance Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code Section 21080.17, which exempts the adoption of an ordinance implementing the provisions of State law relating to ADUs and JADUs.

B The custodian of records for the environmental document and all other materials which constitute the record of proceedings upon which the Planning Commission's decision is based is the Planning Manager of the City of Palmdale. These documents are available for public review in the Planning Division of the City of Palmdale located at 38250 Sierra Highway, Palmdale, California 93550, telephone (661) 267-5200. In addition, the Final PEIR is available at: https://palmdale2045gp.org/wp- content/uploads/2022/10/PalmdaleGP_FinalEIRAppendicesResponsetoCommentsFindingofFactandStatementofOverridingConsiderations.pdf.

SECTION 3. Based upon substantial evidence presented to this Commission during the above-referenced March 19, 2026, public hearing, including public testimony, and written and oral staff report, this Commission specifically finds as follows:

A The proposed ZOA conforms with the goals, objectives, and policies of the General Plan.

B The proposed ZOA is necessary to implement the General Plan and to provide public safety, convenience and/or general welfare.

The approval of the proposed ZOA will ensure compliance with state law regarding ADUs and JADUs. Furthermore, the proposed amendment aligns with the City's general plan by supporting the development of neighborhoods that offer a variety of housing options, enabling individuals of all ages, abilities, socioeconomic statuses, and family sizes to live in Palmdale.

SECTION 4. Based on the findings and conclusions outlined in paragraphs 1, 2, and 3, this Commission recommends City Council approval of ZOA 26-0002 and finds that the amendment is exempt from environmental review.

SECTION 5. The Deputized Clerk shall certify the adoption of this Resolution.

PASSED, APPROVED, and **ADOPTED** this 19th day of March 2026.

Dean Henderson
Chair, Planning Commission

ATTEST:

Irlanda Ramirez, Deputized Clerk

I, Irlanda Ramirez, 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 19th day of March 2026, by the following roll call vote:

AYES: Chair Henderson, Vice Chair Elize, Commissioners Olivarez, Jones

NOES: None

ABSTAIN: None ABSENT: Commissioner Lujan

Date: 03/23/2026

Irlanda Ramirez, Deputized Clerk

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-023, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ISSUANCE OF TAX-EXEMPT AND/OR TAXABLE REVENUE OBLIGATIONS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY (CEDA) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $2,300,000 FOR THE PURPOSE OF FINANCING, REFINANCING, AND/OR REIMBURSING THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF HEALTHCARE FACILITIES FOR THE BENEFIT OF BARTZ-ALTADONNA COMMUNITY HEALTH CENTER AND/OR A RELATED SUCCESSOR ENTITY**

RECOMMENDATION

Staff recommend that the City Council:

1. Conduct the public hearing under the requirements of the Tax and Equity Fiscal Responsibility Act (TEFRA) and the Internal Revenue Code of 1986, as amended (the Code)

2. Adopt Resolution No. CC 2026-023, A Resolution of the City Council of the City of Palmdale (City) approving the issuance of tax-exempt and/or taxable revenue obligations by the CEDA in an aggregate principal amount not to exceed $2,300,000 for the purpose of Financing, refinancing, and/ or reimbursing the cost of acquisition. Construction, installation, furnishing, and equipping of healthcare facilities for the benefit of Bartz-Altadonna Community Health Center, a California nonprofit public benefit company, and/or a related or successor entity (the Borrower).

BACKGROUND

CEDA is a joint exercise of powers authority established pursuant to the Joint Exercise of Powers Agreement for the CEDA, dated as of June 1, 2006, among the City of Selma, the City of Lancaster, and the City of Eureka to address gaps in economic development financing. CEDA is committed to providing alternative financing options to

manufacturers, 501(c)(3) non-profits, and California communities, with the ultimate mission of supporting economic development. CEDA facilitates the issuance of private activity bonds for economic and community development. The City became an associate member of CEDA as of December 3, 2014.

As required by the TEFRA Act of 1982, in order for the obligations to qualify as tax-exempt bonds, the City of Palmdale must conduct a public hearing (the TEFRA Hearing) providing the members of the community an opportunity to comment on the use of tax-exempt bonds for the financing of the Project. Prior to conducting the TEFRA Hearing, reasonable notice must be provided to the community. Following the close of the TEFRA Hearing, an "applicable elected representative" of the governmental unit with jurisdiction over the Project must provide its approval of the issuance of the obligations for the financing of the Project, which is provided for in Resolution No 2026-023.

DISCUSSION

The proceeds of the obligations will be applied by the Borrower, for the purpose of (a) financing, refinancing, and/or reimbursing the cost of the acquisition, construction, improvement, furnishing, and equipping of healthcare facilities located at 3166 East Palmdale Blvd., Palmdale, California 93550 (the Palmdale Facilities) and (b) paying costs of issuance in connection with the financing.

The Borrower, founded in 1993 in Lancaster, California, is the Antelope Valley's first Federally Qualified Health Center (FQHC), registered in 2010. The Borrower provides comprehensive primary care, OB/GYN services, mental and behavioral health services, substance abuse counseling, HIV support, dental care services, and a variety of other healthcare services to underserved, low-income, and homeless populations. The Borrower operates facilities in Palmdale, Lancaster, California City, Boron, and through two mobile units.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action. The proposed obligations to be issued by CEDA will be the sole responsibility of the Borrower, and the City will have no financial or legal obligation for repayment. No financial obligations are placed on the City for project financing costs or debt repayment.

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

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-023 TEFRA Bartz-Altadonna

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ISSUANCE OF TAX-EXEMPT AND/OR TAXABLE REVENUE OBLIGATIONS BY THE CALFIORNIA ENTERPRISE DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $2,300,000 FOR THE PURPOSE OF FINANCING, REFINANCING AND/OR REIMBURSING THE COST OF ACQUISITION, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF HEALTHCARE FACILITIES FOR THE BENEFIT OF BARTZ-ALTADONNA COMMUNITY HEALTH CENTER AND/OR A RELATED OR SUCCESSOR ENTITY

WHEREAS, Bartz-Altadonna Community Health Center (the "Borrower"), a California nonprofit public benefit corporation, organized under the laws of the state of California, has requested that the California Enterprise Development Authority (the "Authority") participate in the issuance, from time to time, pursuant to a plan of finance, of tax-exempt and/or taxable revenue obligations in an aggregate principal amount not to exceed $2,300,000 (the "Obligations"), the proceeds of which are to be loaned to the Borrower, and/or a related or successor entity, to be applied to finance, refinance and/or reimburse the cost of acquisition, construction, improvement, furnishing and equipping of healthcare facilities located at 3166 East Palmdale Boulevard, Palmdale, California 93550 (the "Palmdale Facilities"); and

WHEREAS, a portion of the proceeds of the Obligations may be used to pay financing costs and costs of issuance; and

WHEREAS, the Palmdale Facilities will be used by Borrower to expand and enhance their facilities offering the Antelope Valley residents comprehensive primary care, OB/GYN services, mental and behavioral health services, and substance abuse counseling to underserved, low-income, and homeless residents, regardless of ability to pay; and

WHEREAS, the issuance of the Obligations must be approved by the governmental unit on behalf of which the Obligations are issued and a governmental unit having jurisdiction over the territorial limits in which the Palmdale Facilities are located pursuant to the public approval requirement of Section 147(f) of the Code; and

WHEREAS, the Palmdale Facilities are located within the territorial limits of the City of Palmdale (City) and the City Council is the elected legislative body of the City; and

WHEREAS, the Authority and the Borrower have requested that the City Council approve the issuance of the Obligations and the refinancing of the cost of the acquisition, renovation, equipping, and furnishing of the Palmdale Facilities with the proceeds of the Obligations solely for purposes of complying with Section 147(f) of the Code; and

WHEREAS, a public hearing was held by the City Council on May 5, 2026, at the meeting which commenced at the hour of 5:00 p.m., at 38300 Sierra Highway, Suite C, Palmdale, California 93550, following duly published notice thereof in a newspaper of general circulation in the City of Palmdale, and all persons desiring to be heard have been heard; and

WHEREAS, it is intended that this Resolution shall comply with the public approval requirements of Section 147(f) of the Code; provided, however, that this Resolution is neither intended to nor shall it constitute an approval by the City Council of the Palmdale Facilities for any other purpose, including, but not limited to, compliance with the California Environmental Quality Act (California Public Resources Code, Section 21100, et seq.) ("CEQA");

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

SECTION 1. On information and belief, the foregoing resolutions are true and correct.

SECTION 2. The City Council hereby approves the issuance, from time to time, pursuant to a plan of finance, of the Obligations by the Authority, which Obligations may be tax-exempt and/or taxable as approved by the Authority in its resolution, in an amount not to exceed $2,300,000 to finance, refinance and/or reimburse the cost of the acquisition, construction, installation, furnishing and equipping of the Palmdale Facilities and paying financing costs and costs of issuance of the Obligations. This resolution shall constitute approval of the issuance of the Obligations within the meaning of Section 147(f) of the Code. This resolution shall also constitute the approval of the issuance of the Obligations by the Authority within the meaning of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3, and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California.

SECTION 3. The issuance of the Obligations shall be subject to the approval by the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the Obligations.

SECTION 4. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to, and comply with the terms and intent of this resolution and the financing transaction approved.

SECTION 5. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing with respect to the Palmdale Facilities; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary with respect to the Palmdale Facilities; (iii) make any contribution or advance any funds whatsoever to the Authority or the Borrower; or (iv) take any further action with respect to the Authority or its membership therein.

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

PASSED, APPROVED and **ADOPTED** this 5th day of May,2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Alexandra Severino
City Attorney

ATTEST:

_____
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 5th day of May, 2026, by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PARKS AND RECREATION DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-016, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE FIVE-YEAR PUBLIC ART WORK PLAN FOR PROJECTS IN THE CITY OF PALMDALE IN ACCORDANCE WITH CHAPTER 15.01 OF THE PALMDALE MUNICIPAL CODE**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. 2026-016, approving the Five-Year Public Art Work Plan for projects in the City of Palmdale in accordance with Chapter 15.01 of the Palmdale Municipal Code.

BACKGROUND

The Palmdale City Council approved Resolution No. CC 2020-084, adopting the Public Art Master Plan (Master Plan) and directing staff to work diligently to implement the Master Plan's recommendations. Consistent with this direction, the Commission and staff developed an annual Public Art Work Plan (Work Plan) that charts current and future public art projects and determines resources and funding priorities. The five-year Work Plan strategy is updated annually to include City-funded projects, public/private partnerships, maintenance, and a conservation plan. The City Council approves the proposed Work Plan as part of the City's annual budget adoption process.

DISCUSSION

The Work Plan establishes the framework for implementing all municipal public art projects, including scope, concept, location, budget, and timeline. The Public Art Fund ending balance for FY 2025 was $1,848,479. The anticipated balance for FY 2026, reflecting current year budgeted revenues and expenditures, is $1,720,579.

The Public Art Commission reviewed the Work Plan draft at the January 27, 2026, meeting, and the final form was reviewed and discussed at the March 24, 2026, meeting. After discussion, the Commission adopted Resolution No. PAC 2026-001, recommending the Five-Year Work Plan for City Council approval in accordance with Chapter 15.01 of the Palmdale Municipal Code. The Work Plan is provided herewith for Council consideration.

The proposed Fiscal Year 2026-27 expenditure total is $186,200 and is expected to be funded by Public Art Fee revenues. The Courson Park Mural Project will be funded separately through the Prop 68 Grant Fund. Below is a breakdown of expenditure:

PROJECT TYPE	PUBLIC ART FUND EXPENSES	PROP 68 GRANT FUND EXPENSES
Public Art Projects	$126,200	
Consulting Services	$ 50,000	
Maintenance and Repair	$ 10,000	
Courson Park Mural Project		$ 41,500

FISCAL IMPACT

$0; There is no fiscal impact associated with this action. Proposed expenditures for Public Art will be approved through the annual budget process for FY 2026-27 and future years.

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.

Prepared by: Keri Smith, Director of Parks & Recreation
Certified as to availability of Funds: Janelle Samson, Director of Operations
Approved by: Salvador Mendez, City Manager
Approved as to form: Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-016
Five-Year Public Art Work Plan
Five-Year Public Art Work Plan Presentation

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-016

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE FIVE-YEAR PUBLIC ART WORK PLAN RECOMMENDED BY THE PUBLIC ART COMMISSION IN ACCORDANCE WITH CHAPTER 15.01 OF THE PALMDALE MUNICIPAL CODE

WHEREAS, on March 24, 2026, the Public Art Commission adopted Resolution No. PAC 2026-001 recommending the Five-Year Public Art Work Plan for City Council approval in accordance with Chapter 15.01 of the Palmdale Municipal Code; and

WHEREAS*,* the Public Art Commission of the City of Palmdale shall develop an annual Public Art Work Plan that charts current and future public art projects and determines resources and funding priorities in accordance with Section 3, Item 10 of the Public Art Commission Bylaws; and

WHEREAS*,* the Five-Year Public Art Work Plan sets the course for the implementation of all municipal public art projects; and

WHEREAS*,* the Five-Year Public Art Work Plan will be updated annually to include all proposed projects that meet City of Palmdale Public Art Fund criteria as specified in Chapter 15.01 of the Palmdale Municipal Code; and

WHEREAS*,* public art in Palmdale has the power to express Palmdale's identity through the built environment and provide equitable access to a diversity of artists and artistic experiences, elevating the role the artist and the creative process play in connecting people and places.

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. In accordance with Section 15.01.050, Section D, of Palmdale's Municipal Code, the Public Art Commission shall present annually to the City Council for approval a public art work plan that recommends the use of public art fund monies.

SECTION 3. In accordance with Section 15.01.070, Section C, Item 10, of Palmdale's Municipal Code, the Public Art Commission will develop an annual public art work plan that charts current and future public art projects and determines resources and funding priorities.

SECTION 4. In accordance with Section 15.01.110, Section B, of Palmdale's Municipal Code, the City Council will approve the annual public art work plan as part of the City's annual budget adoption process, which outlines the projects and expenses the public art program will undertake each year.

SECTION 5. Based on the findings and conclusions set forth above, the City Council hereby approves the Five-Year Public Art Work Plan recommended by the Public Art Commission and staff.

SECTION 6. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Alexandra Severino
City Attorney

ATTEST:

_____
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 _____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

Five-Year Public Art Work Plan

FUNDING PERIOD	PROJECT	LOCATION	FUNDING	NOTES	STATUS	LOCATION PRIORITY
FY 24-25	*Mirage* mural	Palmdale Amphitheater	$35K Public Art Fund	Mural featuring local landscapes and vistas by Koko + Nuri	Completed October 2024	High
	Harmony sculpture for roundabout	Ave. S-8 and 40th St. E	$50K Public Art Fund	Sculpture inspired by the resilient bond between Joshua trees and Yucca moths.	Completed April 2025	Medium
	Sam Yellen Park (Phase II) Public Art Elements	Sam Yellen Park	$175K (1% CIP project contribution to Public Art Fund)	*Having a Ball* sculpture by Solomon Bassoff, *Wild and Alive Palmdale* by Hannah Maximova, plaques; Performance Engagement by Contra-Tiempo pending	Sculpture and Mosaic Murals completed May 2025; performances completed March 2026	High
	Antelope Valley Walls	City Hall, Palmdale Film Stage, and Sam Yellen Park	$40K Public Art Fund	Three murals by AQMNI, Koko + Nuri, and Brandon Thompson & Deidre Hathor	Completed September 2024	High, Medium
	Temporary artwork featured at Kaleidoscope Fall Festival	Palmdale Amphitheater	$10K Public Art Fund	*Honeycomb Harmonies* (musical art installation) and six chalk artists	Completed October 2024	High
	Walk on Words	Sam Yellen Park	$1.2K Program Supplies	Theme: Earth Day	Completed June 2025	Medium
	Maintenance and repair projects	Various	$10K Contract Services	Restore murals damaged by graffiti and install sculpture lighting	Completed FY 24-25	High
TOTAL PUBLIC ART EXPENSES FY 24-25			$321,200			
FY 25-26	*Wild Harmony* mural	Pelona Vista Park, North Fields	$25K Public Art Fund	Mural celebrates the native wildlife and community values through vibrant symbolic imagery	Completed November 2025	Medium
	Small Mural Mentor Program	Pelona Vista Park, South Fields	$30K Public Art Fund	This mentorship program pairs local muralist with four artists to design and complete a collaborative mural	Anticipated completion by June 2026	Medium
	Sculpture for Roundabout	Palmdale Transportation Center	$140K Public Art Fund	Area at north of roundabout designated for sculpture; aerospace theme recommended	Anticipated completion in FY26-27	High
	Sculptures for Roundabouts on 10th Street East	10th St E at Q-9 and Q-12 (north)	$160K Public Art Fund	Two sculptures by for new roundabouts on 10th Street East	Anticipated completion in FY26-27	Medium
	McAdam Cultural Art Project	William J. Mc Adam Park	$75K Public Art Fund	Additional funds: $150K (Measure AV), $75K (Park Development Fund)	Anticipated completion in FY26-27	Medium
	Amargosa Sculpture Installation	Amargosa Creek Trail	$90K Public Art Fund	Includes four sculptures leased to the City for a 3-year term	Anticipated completion in FY26-27	Medium
	Temporary artwork featured at Kaleidoscope Fall Festival	Palmdale Amphitheater	$10K Public Art Fund	Six chalk artists, two live painters, pumpkin carving by Jon Neill, and a clay demonstration by Dan Phelan	'Completed October 2025	High
	Walk on Words	Sam Yellen Park	$1.2K Program Supplies	Theme: America 250	Anticipated completion by June 2026	Medium
	Maintenance and repair projects	Various	$10K Contract Services	Annual budget for maintenance and repair; restore murals damaged by graffiti	Per program needs; expenses under $3K	High
TOTAL PUBLIC ART EXPENSES FY 25-26			$541,200			

FUNDING PERIOD	PROJECT	LOCATION	FUNDING	NOTES	STATUS	LOCATION PRIORITY
FY 26-27 PROPOSED	Courson Park Mural Project	Melville J. Courson Park	$41.5 Prop 68 Grant Funds*	$4.15M Prop 68 project; 1% reserved for on-site art per ordinance; construction starts 2026	Anticipated completion in FY26-27	Medium
	Community Paint Mural	William J. Mc Adam Park	$15K Public Art Fund	Small mural designed by selected artist and painted by community members	Anticipated completion in FY26-27	Medium
	Palmdale Murals	Palmdale Transportation Center	$15K Public Art Fund	Three small murals in the style of Iconic Palmdale Postcards	Anticipated completion in FY26-27	High
	Veteran themed mural	Joe Davies Heritage Airpark	$45K Public Art Fund	Mural developed with feedback from local veteran groups	Anticipated completion in FY26-27	Medium
	Public Art Consultant for Palmdale "Legacy" Project	TBD	$50K Public Art Fund	Develop engagement tools to define goals; lead outreach; identify suitable locations opportunities; and prepare policy templates for commissioning large-scale public art	Anticipated completion in FY26-27	-
	Antelope Valley Walls	Various City-owned facilities and private property walls (TBD)	$40K Public Art Fund	Biennial Antelope Valley mural festival in collaboration with the City of Lancaster, Pearblossom, and Littlerock	Anticipated completion October 2026	Various, TBD
	Temporary artwork to be featured at Kaleidoscope	Palmdale Amphitheater	$10K Public Art Fund	TBD; annual festival	Anticipated completion October 2026	High
	Walk on Words	Sam Yellen Park	$1.2K Program Supplies	Theme: TBD; annual poetry contest	Anticipated completion by June 2027	Medium
	Undetermined maintenance and repair projects	Various	$10K Contract Services	Various locations, as required; annual budget for maintenance and repair	Per program needs; to be scheduled	-
TOTAL PUBLIC ART EXPENSES FY 26-27			$186,200	***NOTE: Total does not include Prop 68 Grant funds for Courson Park Mural**		
FY 27-28 through FY 29-30	Chimbole Center Tile Murals	Chimbole Center	Amount and funding source TBD	Theme: TBD	To be scheduled	High
	Palmdale "Legacy" Project	TBD	$500K Public Art Fund	Destination public art; potential locations include Civic Center and City owned property near 14 freeway	To be scheduled	-
	Avenue M	Avenue M Interchange	$255K Measure R Local Return	Partnership with City of Lancaster, LA County, and Caltrans; two sculptures, retaining wall and railing designs	Construction anticipated in 2029	High
	Amargosa Sculpture Installation	Amargosa Creek Trail	$90K Public Art Fund	Includes four sculptures leased to the City for a 3-year term	Anticipated completion in FY 28 -29	Medium
	Antelope Valley Walls	Various City-owned facilities (TBD)	$40K Public Art Fund	Biennial Antelope Valley mural festival in collaboration with the City of Lancaster and Pearblossom	To be scheduled	-
	Temporary Artwork to be featured at Kaleidoscope	Palmdale Amphitheater	$10K Public Art Fund	TBD; annual festival	To be scheduled	High
	Walk on Words	Sam Yellen Park	$1.2K Program Supplies	Theme: TBD: annual poetry contest	To be scheduled	-
	Undetermined maintenance and repair projects	Various	$10K Contract Services	Various locations, as required; annual budget for maintenance and repair	Per program needs; to be scheduled	-

DEPARTMENT OF PARKS AND RECREATION

FIVE-YEAR PUBLIC ART WORK PLAN ANNUAL UPDATE

Public Art Commission

Chair:	Lisa Sarno
Vice-Chair:	Nathaniel Ancheta
Commissioner:	Michael De Medina
Commissioner:	Doug Grove
Commissioner:	Ayeasha Jones
Commissioner:	Warren Scherich
Commissioner:	Edwin Vasquez

CITY COUNCIL MEETING
MAY 5, 2026

PALMDALE PUBLIC ART

COMPLETED PROJECTS 2025



Harmony (April 2025)
E Avenue S-8 and 40th St E

Having A Ball
(May 2025)

Sam Yellen
Park





Walk on Words – Earth Day
(June 2025) Sam Yellen Park

COMPLETED PROJECTS 2025 (cont.d)





Wild and Alive Palmdale (May 2025) Sam Yellen Park

COMPLETED PROJECTS 2025/2026





Wild Harmony
(November 2025)
Pelona Vista Park



Contra-Tiempo Performance Engagement
(March 2026)
Sam Yellen Park

KALEIDOSCOPE FALL FRENZY 2025



Chalk Artists



Jon Neill Pumpkin Carving

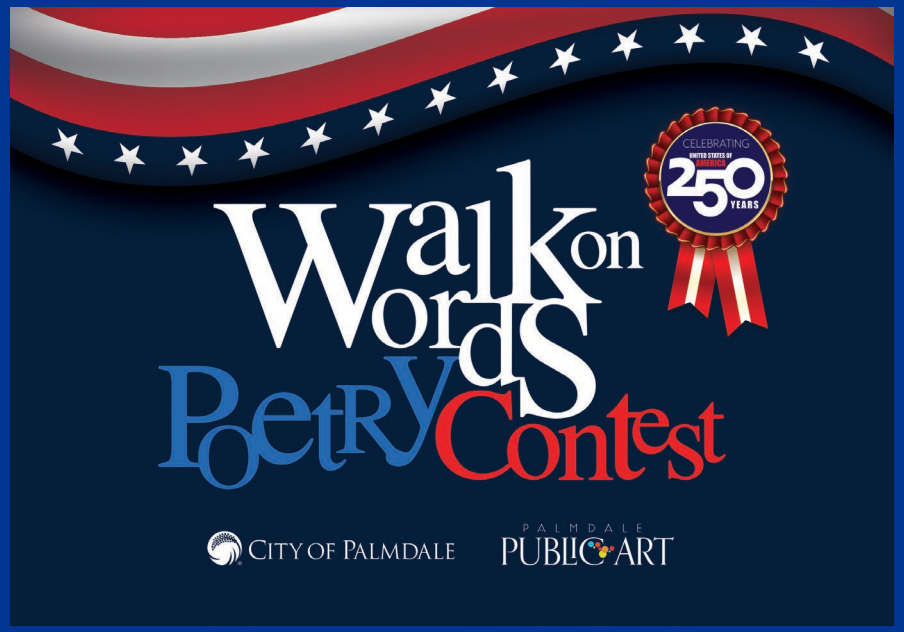


Dan Phelan Clay Demo



Live Painters

UPCOMING PUBLIC ART INSTALLATIONS



Walk on Words - Sam Yellen Park

Amargosa Creek Trail

Rotating Sculpture Garden





Small Mural Mentor Program Pelona Vista Park

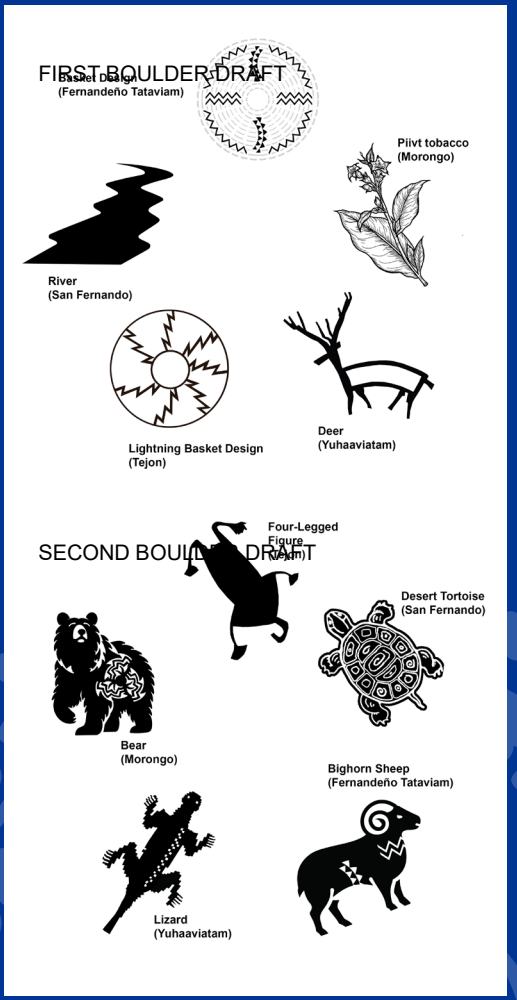
PENDING PUBLIC ART INSTALLATIONS



10th St. E Roundabouts
Two Sculptures



Palmdale Transportation Center
Aerospace Sculpture



McAdam Park
Five Tribes Project

PROPOSED PUBLIC ART PROJECTS FY 26-27

- Courson Park Mural Project
- Community Paint Mural at McAdam Park
- Palmdale Murals at Palmdale Transportation Center
- Veteran Mural at Joe Davies Heritage Airpark
- Public Art Consultant for Palmdale “Legacy” Project
- Antelope Valley Walls
- Temporary Artwork at Kaleidoscope Fall Frenzy
- Walk on Words
- Maintenance and Repair

QUESTIONS?



DEPARTMENT OF PUBLIC WORKS

Pavement Management Program (PMP)

City Council Meeting
May 5, 2026

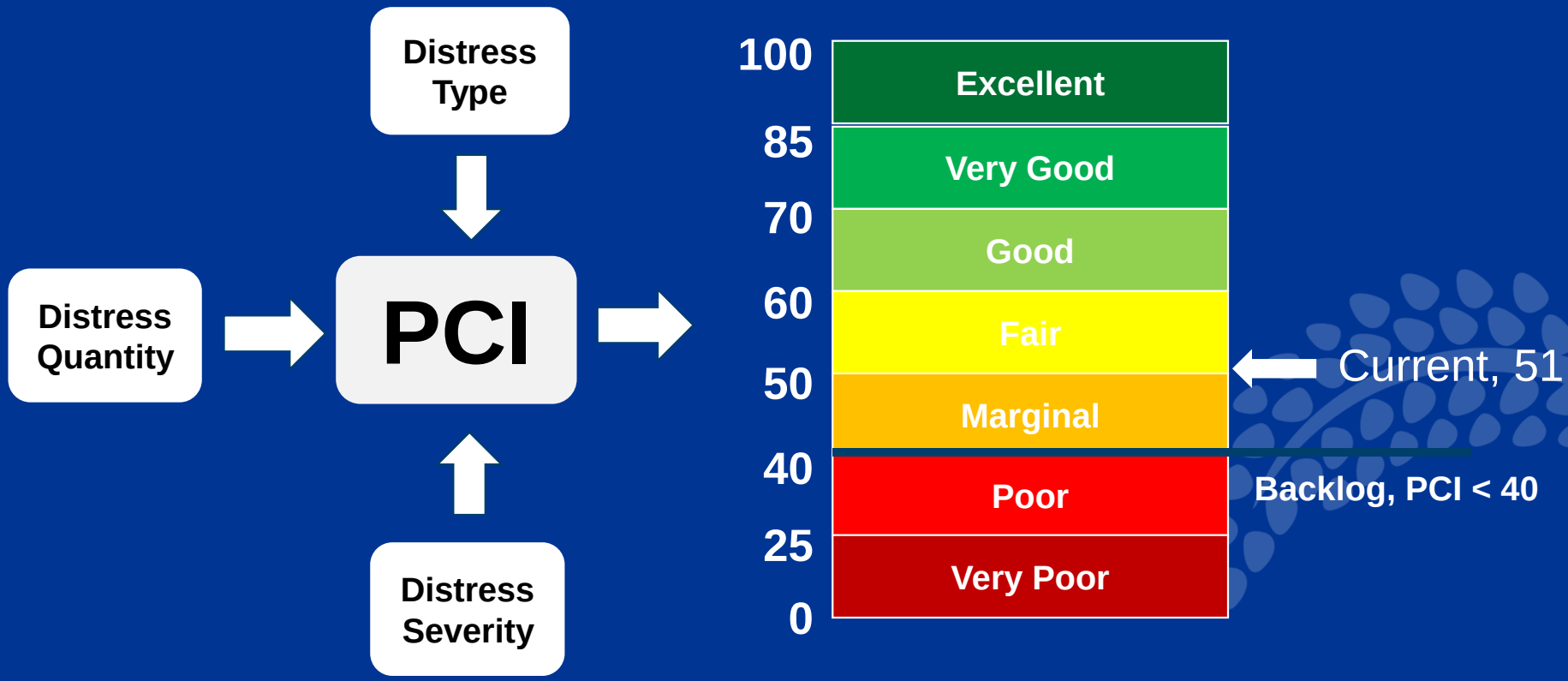
What Is Pavement Management?

- Purpose
- Roadway Functional Classifications
- Maintenance vs Reconstruction
- Pavement Condition Index (PCI)
- What is the average PCI Cities in California
- Why does Palmdale target between 60-70%

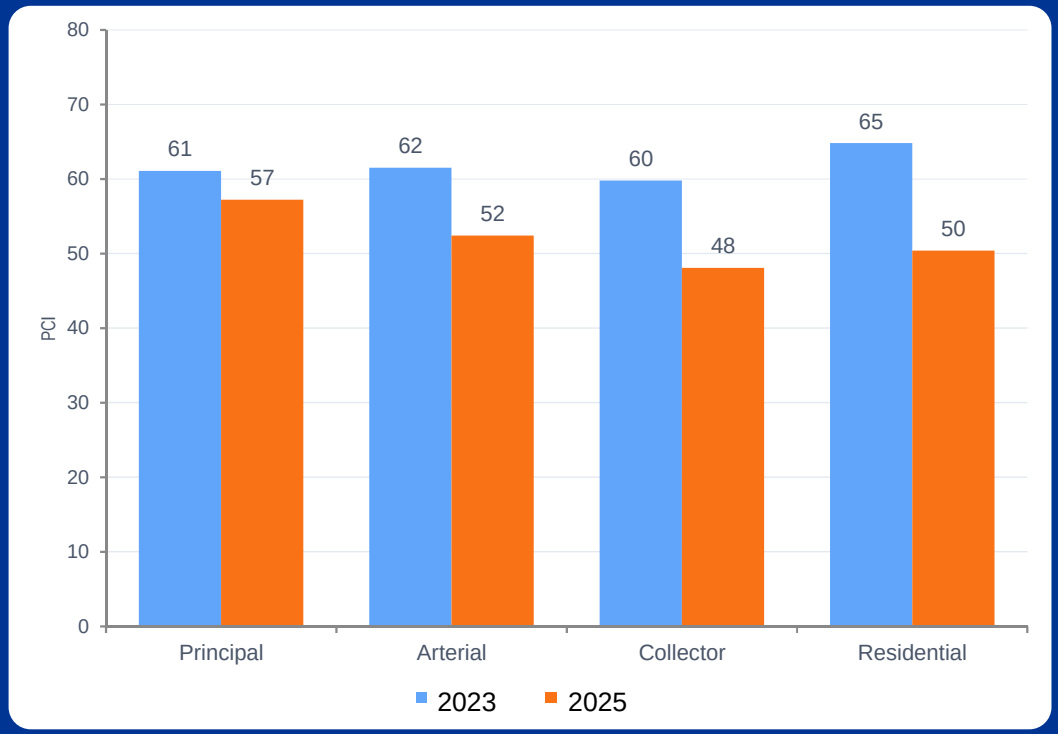
Typical Pavement Treatments By PCI

- 90–100: Crack sealing
- 65–90: Slurry seal or micro-surfacing
- 45–65: Mill and overlay
- 30–45: Major rehabilitation
- Below 30: Reconstruction

PCI – City of Palmdale



PCI By Functional Classification



Principal

M&R: 12.2%

-3.9

Arterial

M&R: 14.8%

-9.1

Collector

M&R: 3.4%

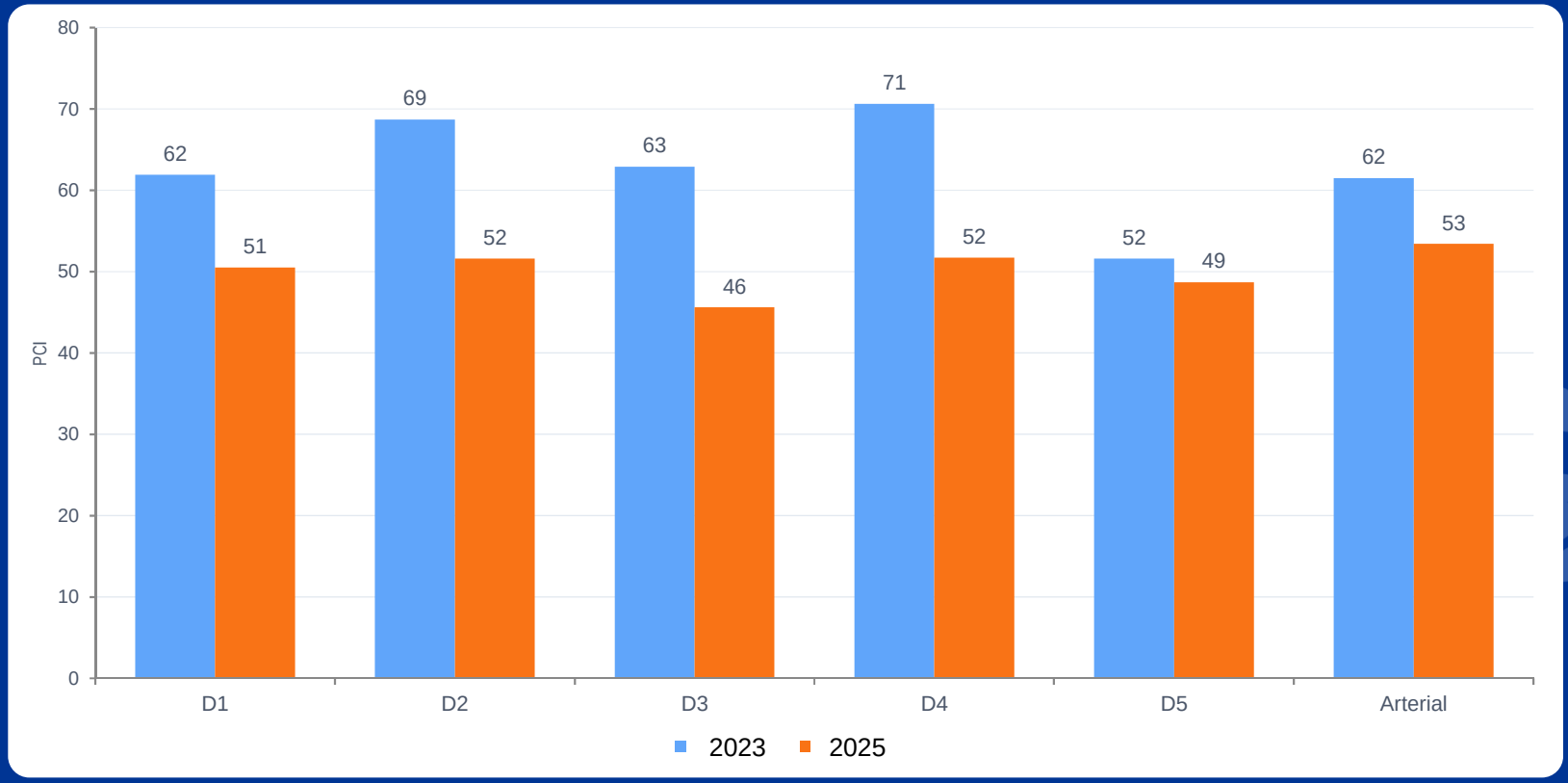
-11.7

Residential

M&R: 6%

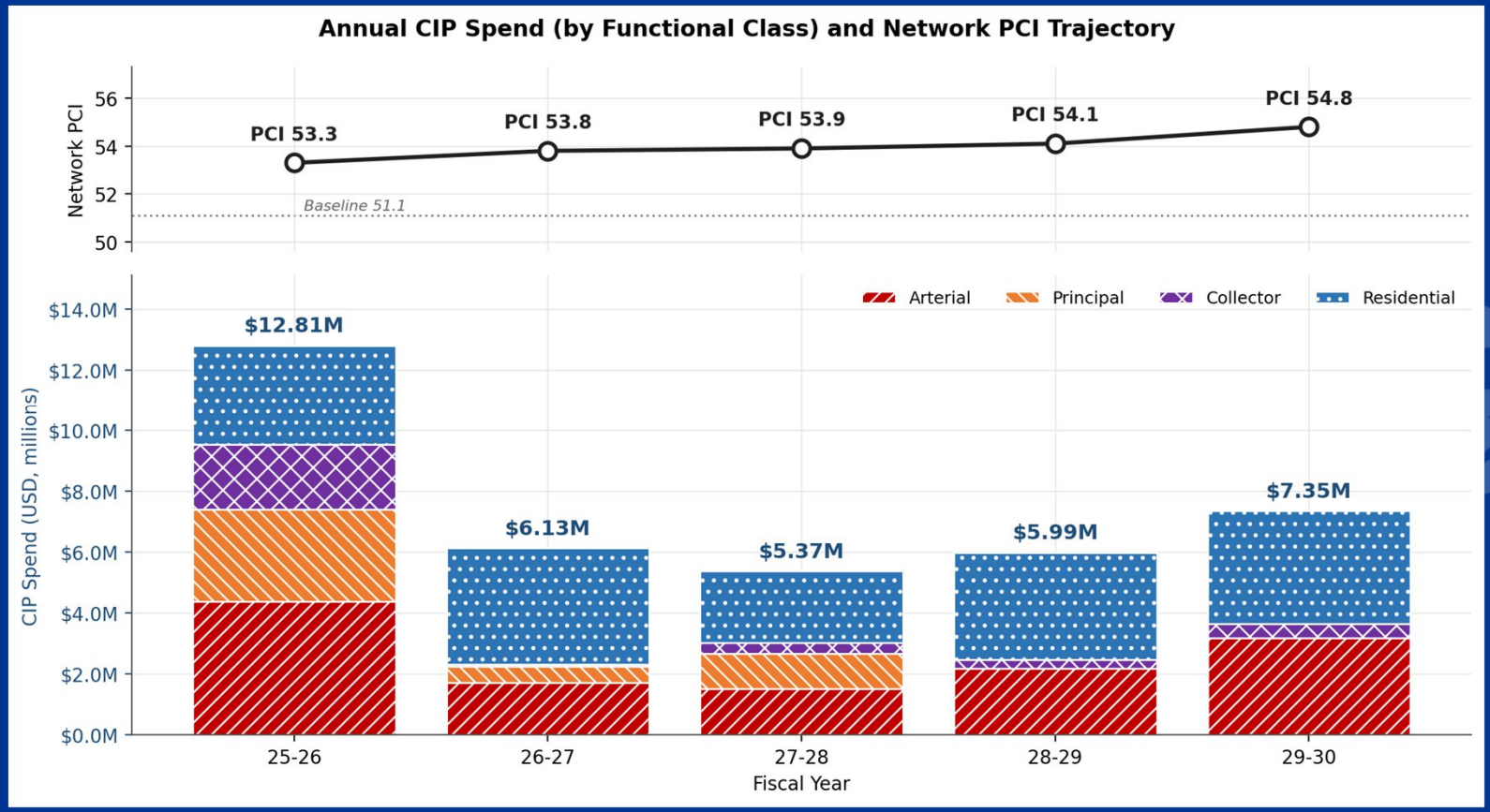
-14.4

PCI by District

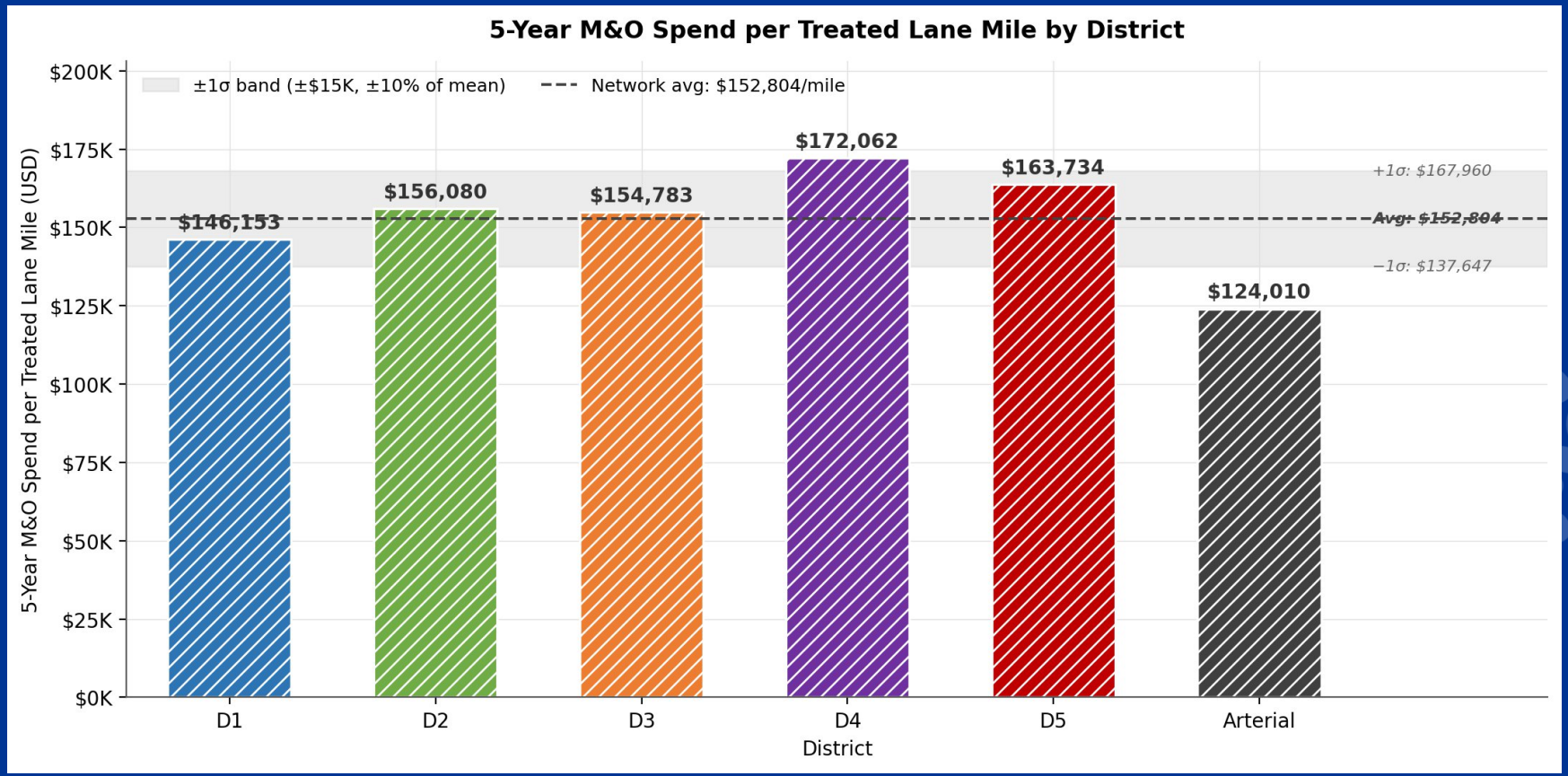


-11.4	-17.1	-17.3	-18.9	-2.9	-8.1

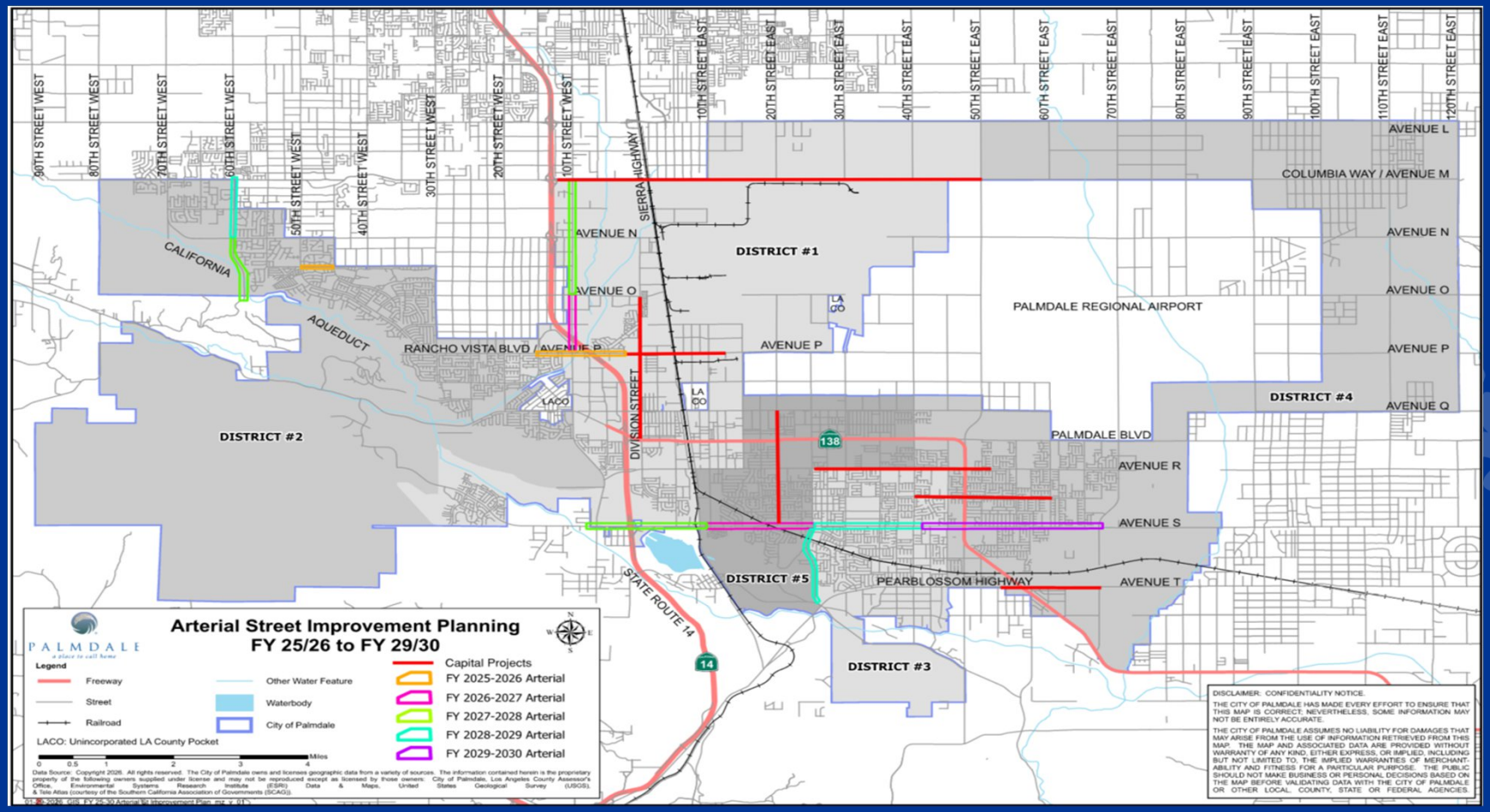
Annual Spending By Functional Class With PCI Trajectory



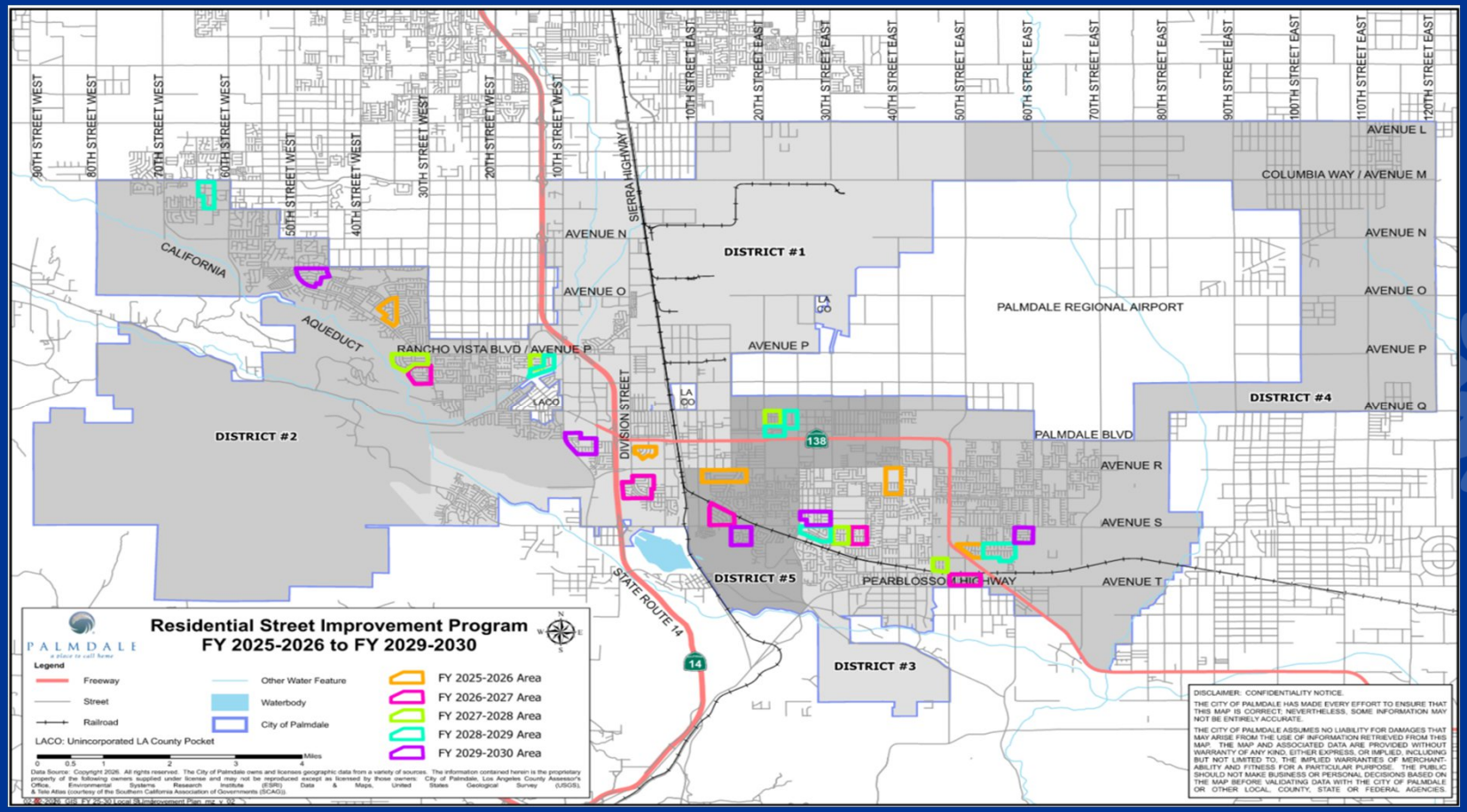
Spending Per Treated Lane Mile By District



Palmdale's Present Arterial PMP 2026-3031



Palmdale's Present Local Residential PMP 2026-2031



Pavement Program 2030

What are we doing to ensure our pavement investment moving forward?

- New technology and equipment
- Maintain PCI around 60–70 for sustainable infrastructure
- Early maintenance prevents costly reconstruction
    - Studying the pavement material
    - Studying the traffic loads
    - Aggressive pavement design
        - Dedicated bus lanes
        - Shared bike lanes

Questions

CITY OF PALMDALE

City Council Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE CITY OF PALMDALE'S 2026-31 FIVE-YEAR CAPITAL IMPROVEMENT PLAN**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive and file the Fiscal Year 2026-31 Five-Year Capital Improvement Plan.

BACKGROUND

Each year, the Public Works Department updates the City's Five-Year Capital Improvement Plan (CIP) to guide planning and budgeting for major capital projects. As part of this process, all City departments review the current Five-Year CIP and submit proposed new projects. Proposed projects are evaluated for inclusion in the Five-Year CIP update plan. As City needs and priorities change, existing projects may be revised or delayed, and new projects may be added.

Final funding decisions are made through the City Council's adoption of the annual CIP budget, which establishes capital project spending priorities for the upcoming fiscal year.

DISCUSSION

The 2026-31 Five-Year CIP serves as a planning roadmap for capital improvements over the next five years. Projects are organized into the following categories: General/Facility, Parks and Recreation, Street Improvement, Traffic/Transportation, and Watershed Resources. The CIP identifies and prioritizes projects based on available funding and staff capacity. From this list, projects are selected each year for funding in the upcoming fiscal year.

The Five-Year Capital Improvement Work Plan includes 63 proposed projects with an estimated total cost of $615 million. A condensed project list is attached to this report for

quick reference. A complete copy of the Five-Year CIP has also been provided to the Planning Commission and City Council for reference.

On October 9, 2025, the Planning Commission held a public meeting to review the proposed 2025–2030 Five-Year Capital Improvement Plan. The Commission determined that the Work Plan is consistent with the goals, objectives, and policies of the Palmdale 2025 General Plan. Accordingly, the Planning Commission recommended that the City Council receive and file the 2025–2030 Five-Year Capital Improvement Plan.

Due to the timing of the budget and work plan development cycle, staff advanced the planning horizon by one year to ensure alignment with the upcoming fiscal period. As a result, the Plan was updated to reflect the 2026–2031 Five-Year Work Plan. Staff subsequently revised the Plan to incorporate new projects and adjust priorities.

Detailed below are several significant projects that Public Works staff are currently working on or will be undertaking during Fiscal Year 2026–27:

Project	Budget	Funding Source
Chimbole Center/Library Renovation	$36,000,000	Measure AV, American Rescue Plan Act Fund
Citywide ADA Compliance Program	$2,066,000	CDBG, Measure A
Rancho Vista Grade Separation Design/Construction	$75,000,000	RAISE Grant Fund. Metro Local Returns, Federal Earmark
Avenue R, R-8 Street Improvement	$16,6000,000	SB1, Prop C
Upper Amargosa Creek Trail Enhancements	$2,000,000	LA County Park Grant funds

Below are several notable projects that staff plan to begin work on during subsequent Fiscal Years:

Project	Budget	Funding Source
Avenue T Street Improvement	$32,500,000	Development Fees, Gas Tax
10th St W Street Improvement	$10,500,000	SB1
Citywide Facilities Security Improvements - construction	$1,500,000	Measure AV, Prop A
Rancho Vista Blvd Grade Separation Project, Right-of-way, Utilities	$40,000,000 est.	RAISE Fund, Local Returns
Courson Park Improvement	$6,450,000	Prop 68, Measure AV
McAdam Park Improvement	$6,000,000	Measure AV

FISCAL IMPACT

$0; There is no fiscal impact, as approval of this planning document does not represent approval of any of the individual projects listed in the document. Funds are appropriated for individual projects as those projects are approved by the City Council as part of the City's annual Capital Improvement budget.

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.

Goal III: Invest in infrastructure to improve community viability.

B. Implement and administer environmentally sustainable programs

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, Deputy City Manager
Approved by:	Salvador Mendez,City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENT:

FY 2026 Five-Year CIP Plan
Reso. No. PC-2025-021; a Resolution of the Planning Commission

CITY OF PALMDALE

2026 Five-Year *Capital Improvement Plan*

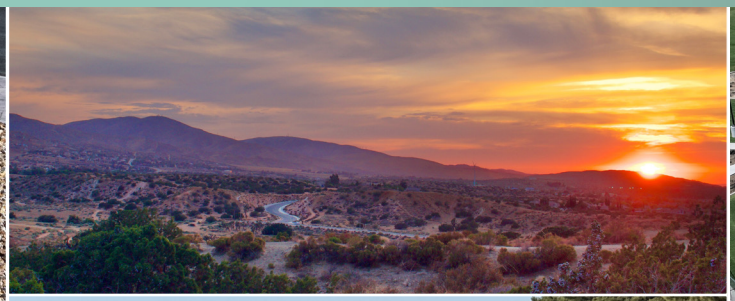
Department of Public Works

CAPITAL IMPROVEMENT PROGRAM DIVISION

City Planning Commission General Plan
City Planning Commission Meeting on October 9, 2025
(Conformance with General Plan)
City Council on May 5, 2026 (Approval)

ACCREDITED AGENCY A•P•W•A









Five-Year Capital Improvement

PROGRAM TEAM

CITY MANAGER

Sal Mendez, City Manager

Sara Gallagher, Assistant City Manager

Nardy Lopez, Assistant City Manager

CITY STAFF (MAJOR CONTRIBUTORS)

Lee Torres, P.E., Director of Public Works

Keri Smith, Director of Parks and Recreation

Jonathan Wu, P.E., Deputy Director of Public Works

Michael Livingston, Deputy Director of Public Works

Joyce Workman, Senior Management Analyst

Marc Zuber, Project Manager

CITY OF PALMDALE

Past Projects

THAT HAVE RECEIVED AWARDS

The Department of Public Works has won several **state and regional public works awards** for notable projects and programs such as the:

APWA High Desert Project of the Year 2025
Outstanding Project of the Year Award
Yellen Park Phase 2 Improvement Project

APWA High Desert Project of the Year 2024
Best Public Safety Improvement Award
Avenue R ATP Project

APWA High Desert Project of the Year 2022
Innovative Design of the Year- Courtney's Playground
Inclusive Play Area at Marie Kerr Park

APWA High Desert Project of the Year 2021
Outstanding Public Works Project of the Year - Rancho Vista Boulevard Widening Gap Closure

APWA High Desert Project of the Year 2019
Best Environmental Project - Upper Amargosa Creek Recharge Project

APWA Project of the Year 2019
Southern California Chapter - Recreation and Athletic Facilities - Pelona Vista Park Fitness Court

APWA Project of the Year 2018
Southern California Chapter - Creative and Innovative - City's Streetlight Acquisition and Retrofit Project

APWA High Desert Project of the Year 2018
Best Use of Technology - Palmdale Council Chamber Audio/Visual Upgrade

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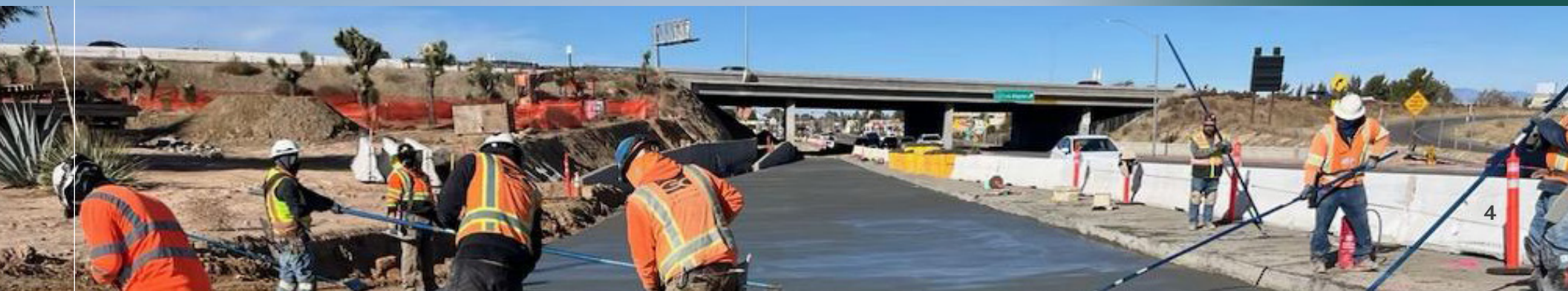
CITY OF PALMDALE

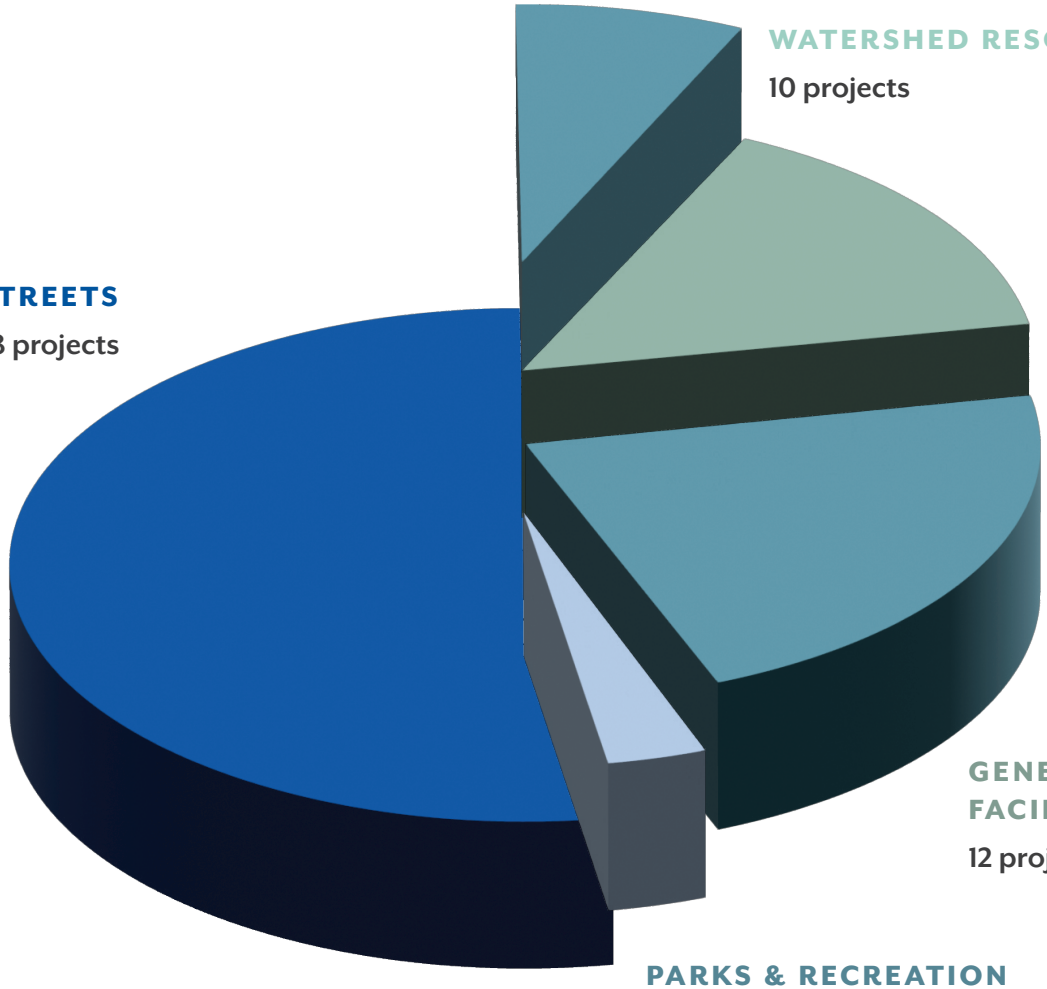
Introduction



Department of Public Works

CAPITAL IMPROVEMENT PROGRAM DIVISION

63 TOTAL PROJECTS



TOTAL PROJECTED BUDGET FY 2026-2031

(all figures below in thousands of dollars)

- Streets
  $331,413 | 53%
- Parks & Recreation
  $46,166 | 7%
- General/Facilities
  $93,383 | 15%
- Watershed Resources
  $137,703 | 22%
- Traffic
  $16,196 | 3%

Total

$624,861

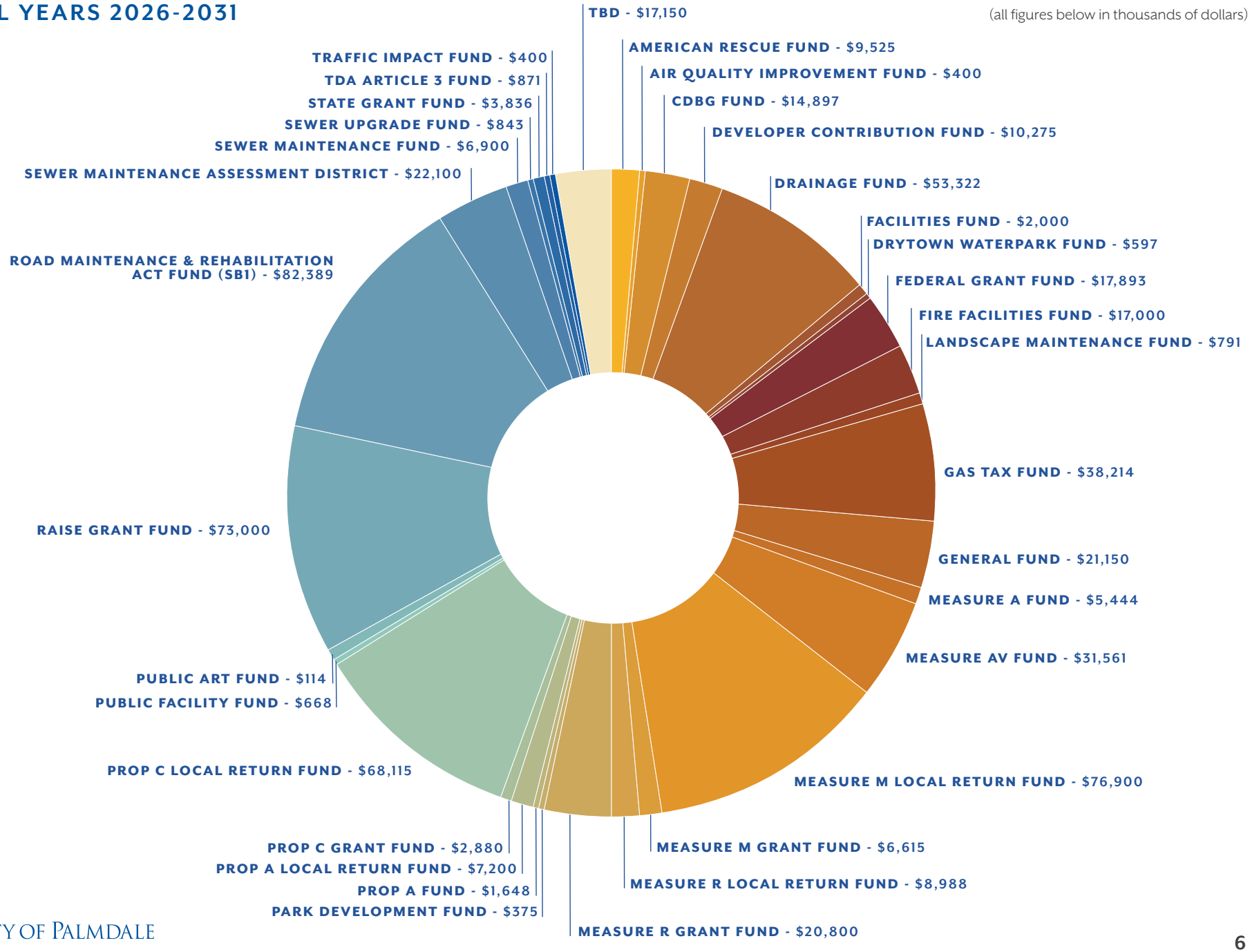
CITY OF PALMDALE

Grant Funding Chart

FISCAL YEARS 2026-2031

ESTIMATED TOTAL BUDGET

(all figures below in thousands of dollars)



Five-Year *Funding Summary*

CIP Projects 2026-2031

(all figures below in thousands of dollars)

Funding Sources	26-27	27-28	28-29	29-30	30-31	Total
American Rescue Fund	$9,525	$—	$—	$—	$—	**$9,525**
Air Quality Improvement Fund	$400	$—	$—	$—	$—	**$400**
CDBG Fund	$10,497	$1,000	$1,000	$1,200	$1,200	**$14,897**
Developer Contribution Fund	$1,017	$—	$—	$—	$9,258	**$10,275**
Drainage Fund	$12,580	$23,242	$6,500	$5,500	$5,500	**$53,322**
Drytown Waterpark Fund	$597	$—	$—	$—	$—	**$597**
Facilities Fund	$2,000	$—	$—	$—	$—	**$2,000**
Federal Grant Fund	$15,893	$—	$2,000	$—	$—	**$17,893**
Fire Facilities Fund	$-	$2,000	$5,000	$6,000	$4,000	**$17,000**
Landscape Maintenance Fund	$791	$—	$—	$—	$—	**$791**
Gas Tax Fund	$10,414	$6,300	$10,000	$6,500	$5,000	**$38,214**
General Fund	$12,569	$3,000	$3,000	$2,581	$—	**$21,150**
Measure A Fund	$5,444	$—	$—	$—	$—	**$5,444**
Measure AV Fund	$20,977	$3,500	$3,250	$3,834	$—	**$31,561**
Measure M Local Return Fund	$17,759	$10,000	$10,400	$20,400	$18,341	**$76,900**
Measure M Grant Fund	$6,615	$—	$—	$—	$—	**$6,615**
Measure R Local Fund	$2,882	$6,106	$—	$—	$—	**$8,988**
Measure R Grant Fund	$19,443	$1,357	$—	$—	$—	**$20,800**
Park Development Fund	$375	$—	$—	$—	$—	**$375**
Prop A Fund	$448	$300	$300	$300	$300	**$1,648**
Prop A Local Return Fund	$7,200	$—	$—	$—	$—	**$7,200**
Prop C Grant Fund	$2,880	$—	$—	$—	$—	**$2,880**
Prop C Local Return Fund	$15,453	$15,000	$11,000	$11,000	$15,662	**$68,115**
Public Facility Fund	$668	$—	$—	$—	$—	**$668**
Public Art Fund	$114	$—	$—	$—	$—	**$114**
RAISE Grant Fund	$23,000	$—	$25,000	$25,000	$—	**$73,000**
Road Maintenance & Rehabilitation Act Fund (SB1) Fund	$18,614	$9,863	$25,600	$17,650	$10,662	**$82,389**
Sewer Maintenance Assessment District	$5,395	$10,705	$2,000	$2,000	$2,000	**$22,100**
Sewer Maintenance Fund	$6,900	$—	$—	$—	$—	**$6,900**
Sewer Upgrade Fund	$843	$—	$—	$—	$—	**$843**
State Grant Fund	$3,836	$—	$—	$—	$—	**$3,836**
TDA Article 3 Fund	$71	$200	$200	$200	$200	**$871**
TDA Article 8 Fund	$—	$—	$—	$—	$—	**$—**
Traffic Impact Fund	$100	$300	$—	$—	$—	**$400**
TBD	$300	$1,300	$2,800	$9,450	$3,300	**$17,150**
Total	**$235,600**	**$94,173**	**$108,050**	**$111,615**	**$75,423**	**$624,861**

Project Planning & **Development Processes**

In fiscal year 2019/2020 the City transitioned from a ***Ten-Year Capital Improvement Plan*** to a ***Five-Year CIP Plan.***

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM ANNUAL UPDATE

City Council members, Planning Commission members and City staff provided input on revisions to the current Capital Improvement Program and any new projects that have been identified. The Five-Year CIP Plan is presented to the Planning Commission for their determination as to whether it is consistent with the general plan goals and policies of the City annually. The new 5-year CIP document is then presented to the City Council for approval in conjunction with the adoption of the City's annual budget in May/June of each year.

ANNUAL CAPITAL IMPROVEMENT BUDGET PROCESS

The Annual Capital Improvement Budget (Annual CIP) process usually starts in January or February with the development of the overall City budget. However, due to staff shortage this year, the update to the 5-year CIP Plan was delayed. This process identifies all priority operational needs, as well as capital improvement needs. Once the budget is completed, it is recommended for adoption by the City Council prior to the beginning of the fiscal year, which begins in July. City management and the City Council are updated monthly on the status of CIP projects through status reporting and meetings.

PROJECT PHASES

Individual projects may take anywhere from a few weeks to a few years to complete depending on the complexity of the project and the source of project financing. Simple and small projects funded with discretionary City funds may sometimes be completed in as little as a few weeks or months. The largest and most complex projects involving a matrix of restricted funding sources with matching requirements from other outside sources may take several years to complete. Individual CIP projects may require any or all of the project phases listed on the next page. Each phase of a complex project is regulated by several layers of governmental agencies that may have jurisdiction over various aspects of a project. These agencies often have many legal restrictions and requirements to follow to complete a particular phase of a project.

Project Planning & **Development Processes**

The major phases of a City project are generally summarized *as follows:*

1. PROJECT INITIATION

Projects are initiated in a number of ways. The common way is for the City to perform condition and public needs assessments. These studies provide recommendations for CIP projects. The Sewer Master Plan, Storm Drain Master Plan and Pavement Management Program are examples of these types of projects. Another way for a project to get on the CIP list is through public inquiries and City Council's directions, often as a result of some social or safety concern or impact. Installation of roundabouts or streetlights are examples of these types of projects.

2. PRELIMINARY CONCEPT

This phase typically includes the involvement of several City staff and may include a design engineer, building architect, or landscape architect. The City Council is typically briefed on concepts for significant projects prior to moving forward into the design phase, such as the renovation of the Chimbole Center.

3. CONSULTANT SERVICES

The expertise of specialized consultants are utilized regularly for professional services involving: special studies; right-of-way acquisition; civil engineering design, building architectural design; geotechnical engineering studies; traffic engineering design and studies; landscape architectural design; environmental review and assessment; and special district formation. City Council approval is required for services over and above the City Manager's designated authority and any ongoing agreement limitations. Consultants are selected based on qualifications. Selection by fee is not allowed.

4. ENTITLEMENTS & APPROVALS

Some projects involve some type of entitlement or approval including: Planning Commission or Planning Official Site Plan Approval and conformance with the California Environmental Quality Act (CEQA) or federal equivalent, the National Environmental Protection Act (NEPA).

5. DESIGN REVIEW & APPROVALS

Design review and approvals may involve internal (Engineering and Building & Safety) approvals and/or external (outside agency) review and approvals (i.e., Palmdale Water District, City of Lancaster, Los Angeles County, Caltrans, federal agencies, etc.)

6. UTILITY COORDINATION

Many projects will involve coordination with outside utility agencies such as: Palmdale Water District, L.A. County Waterworks Districts, telecommunication companies, Southern California Gas, Southern California Edison, Los Angeles County Department of Public Works Sewer Maintenance Division, and the County Sanitation Districts of Los Angeles County.

Project Planning & **Development Processes**

7. ACQUISITIONS

Acquisitions may be made by "friendly" acquisition in which there is a willing buyer (City) and seller or by Eminent Domain, which involves a legal process and requires City Council approval.

8. CONSTRUCTION CONTRACT BID & AWARD

In 2010 the City of Palmdale adopted Ordinance 1398 containing specific provisions to allow added flexibility in contracting for public projects. This ordinance allows the City to consider criteria other than price (such as qualifications, schedule, experience and local preference) when awarding a contract. Other criteria in the ordinance have not changed: 1) Public works construction projects with a value of less than $30,000 may be selected by solicitation of binding quotes from three contractors. No formal selection process is required. 2) Public works construction projects with a value of $30,000 to $125,000 must be selected by an informal bid process, which includes, but limited to, a 10-day bid period, unsealed bids, and no published notice inviting bids. 3) Public works construction projects with a value of more than $125,000 must be publicly bid after public advertisement and state prevailing wages must be paid. In many cases, meeting state and federal legal requirements, may add an additional 10% to 25% to the project cost and require the formal bidding process.

9. CONSTRUCTION CONTRACT ADMINISTRATION

After a contract is executed between the City and a contractor, the assigned project manager and public works inspector will provide construction contract administration duties. The duration of project construction may be as little as a few days to more than a year for larger projects. The contract administration team ensures that the contractor adheres to all regulations and contract provisions required by federal, state and local law. Typically, for larger construction projects the City will use a consultant to provide construction management of the contractor and to assist project managers in keeping the project on schedule.

10. LEGAL

Legal services are required on most projects and may include: review of service agreements, bid protests, bidding process, sub-contractor stop notices, individual claims on projects during and after construction, contractor disputes, and acquisition related issues.

11. PROJECT CLOSE-OUT

Once the project construction is complete, there are often many financial, legal and other aspects to closing out a project file including: filing legal Notices of Completion, processing all final payments, preparing all grant or financing related project reports, and final organization and preparation of the file for future auditing.

CITY OF PALMDALE

Funding



Funding Sources for **Capital Projects**

FUND 101

General Fund

General Fund revenues include funds from many sources and may be spent on City operating or capital expenses. General fund revenues are derived from: sales tax; utility franchise fees for electricity, natural gas, waste disposal and cable television; plan checking fees; interest earnings; building permit fees; property taxes; animal license fees; property tax; transient occupancy tax; business license tax; parking citations; recreation fees; facility rental charges; and donations.

Measure PD Fund

The Palmdale Essential Services Protection Measure is not a new tax. It simply requires that if another government agency ends or loses a sales tax, the taxpayers of Palmdale will automatically start collecting the increment that ended. This holds taxes steady and ensures the funds stay in Palmdale where we can invest in our community.

FUND 156

Public Art Fund

The Public Art fund was created in FY 2021 to hold all monies generated under the Public Art policy derived from gifts or donations for public art. Private and municipal development projects are required to contribute to the fund per PMC Section 15.01.020.

FUND 157

Measure AV Fund

A local ¾ cent transaction and use tax was passed by Palmdale voters on November 3, 2020. The revenues and expenditures from the tax are to be regularly reviewed by a Citizen's Advisory Committee to ensure the funds collected are expended for the purposes specified in the Measure AV ballot language. The Measure includes protecting Palmdale's long-term financial stability; maintaining essential services; repairing streets/potholes; addressing homelessness; maintaining 911 emergency response; keeping public areas safe/clean for all; retaining local businesses; protecting local water; maintaining veteran, senior, mental health, and community programs; by establishing a ¾-cent sales tax; requiring citizen oversight, public spending disclosures; all funds used locally in Palmdale).

FUND 158

American Rescue Fund



The American Rescue Plan Act Fund was created in FY 2022 to hold monies received by the federal government through the American Rescue Plan Act. Monies in this fund must be spent in accordance with federal guidelines.

RESTRICTED REVENUE SOURCES

FUND 201

Gas Tax Fund

Gas Tax revenues are received on a per capita basis each year pursuant to Sections 2105, 2106, 2107 and 2107.5 of the California Streets and Highways Code. Gas Tax revenue is restricted and must be spent on street-related construction and/or maintenance projects.

FUND 203

Prop A Fund

In 1980, Los Angeles County voters adopted Proposition A, a ½ cent sales tax, to finance a county-wide transit development program. A portion of Proposition A required that 25% of the tax revenue generated be earmarked for local return programs for use by Los Angeles County cities and the County of Los Angeles in developing and/or improving local public transit, paratransit, and related transportation infrastructure.

FUND 204

Prop C Grant Fund

The Proposition C competitive grants program is a funding source in Los Angeles County, derived from a voter-approved ½ cent sales tax to support local transportation projects. Metro, the Los Angeles County Metropolitan Transportation Authority, uses these funds, alongside other transportation sales tax measures, for specific grant programs that are awarded competitively.

FUND 205

Air Quality Improvement Fund

Antelope Valley Air Quality Management District offers several grant programs for residents, businesses, public and private agencies, non-profit and community groups. The focus of the program is to eliminate and/or replace the operation of older polluting conventional fuel vehicles and equipment earlier than its normal lifecycle or regulatory requirements.

FUND 206

Local Transportation Development Fund (TDA) Article 3

Transportation Development Act, Article 3 funds are available to be used by cities within Los Angeles County for the planning and construction of bicycle and pedestrian facilities. Article 3 funds are administered by the Metropolitan Transit Authority (MTA). Funds are allocated annually on a per capita basis to both cities and the County of Los Angeles.

FUND 207

Local Transportation Development Fund (TDA) Article 8

Transportation Development Act (TDA) Article 8 was adopted by Metropolitan Transportation Authority in 2014. Article 8 provides that cities can use eligible funds of the County's Local Transportation Fund for local streets and road expenditures when the City's unmet transportation needs have been satisfied.

Funding Sources for **Capital Projects**

FUND 208

Measure R Grant Fund

Some Measure R funds are allocated to specific, competitively awarded grant programs. The Measure R grant funds are restricted for eligible projects such as major street resurfacing, pedestrian improvements, streetscapes, traffic signal synchronization, and local transit services.

FUND 209

Measure M Grant Fund

The Measure M grant funds are restricted to various funding opportunities under Los Angeles County's Measure M sales tax. These funds will go towards eligible street and transit projects throughout the City.

FUND 210

Road Maintenance and Rehabilitation Fund (SB1)

The City receives revenue from the Road Repair and Accountability Act of 2017 (SB1). Eligible projects may include maintenance and rehabilitation, safety projects, railroad grade separations, traffic control devices and complete street components.

FUND 211

Measure A Fund (City allocation & competitive grants)



Funding Sources for **Capital Projects**

FUND 214

Prop C Local Return Fund

In 1990, Los Angeles County voters adopted Proposition C, the second of two ½ cent sales tax, to finance a county-wide transit development program. Proposition C funds are administered by the Metropolitan Transit Authority (MTA). Local Return funds are distributed monthly to jurisdictions on a per capita basis. Eligible expenditure includes developing and/or improving local public transit, paratransit, and related transportation infrastructure, as well as transit services and/or equipment purchases.

FUND 218

Measure R Local Return Fund

The City is allocated 15% of revenues from the ½ cent sales tax increase passed in 2008 for comprehensive county transportation improvements. The Measure R local return revenues are restricted for projects such as pothole repairs, bikeways, major street resurfacing, left-turn signals, pedestrian improvements, streetscapes, traffic signal synchronization, and local transit services.

FUND 219

Measure M Local Return Fund

In 2016, Los Angeles County voters approved Measure M, a ½ cent sales tax, to fund improvement of traffic flow/safety, repair, potholes/sidewalks, repave local streets, earthquake retrofit bridges, synchronize signals, keep transit fares affordable, expand rail/subway/bus systems, improve job/school/airport connections, and create jobs. These funds will go towards street and transit projects throughout the City.

FUND 220

Park Development Impact Fees

Park impact fees are collected from developers to mitigate the impacts on the City's park system and to assist with the development and rehabilitation of City parks.

FUND 221

Traffic Impact Fees

Traffic impact fees are collected from developers to mitigate the impacts on the City's traffic control and safety systems. These fees are used for signals and street improvements identified in the Traffic Impact Fee Assessment and Master Traffic Level Maintenance Plan.

FUND 222, 223, 224, 225 and 230

Drainage Impact Fees

Drainage impact fees are collected from developers to mitigate the impact on drainage systems within six major contributory drainage areas in the City. The six separate funds for collecting drainage fees are Amargosa, Anaverde, Big Rock, Portal Ridge, Pearland, and Littlerock. The monies collected in each area can only be used for drainage improvements in that area as set forth in the Master Plan for Drainage.

Funding Sources for **Capital Projects**

FUND 227

Fire Facilities Impact Fees

Fire facilities impact fees are collected from developers to mitigate the impacts of new development on fire protection facilities, such as new fire stations and improvements to existing facilities.

FUND 229

Public Facilities Fund

Impact fees are collected from developers to mitigate the impacts on public facilities such as City Hall and libraries, and to assist with the development and rehabilitation of public facilities.

FUND 240

Federal Grant Fund



Funds from the federal government, typically the U.S. Department of Transportation through the Federal Highway Administration and Federal Transit Administration. Usually requires local funding match. Used for transportation and road projects.

FUND 241

STATE GRANT FUNDS (CALTRANS & CPUC)



Contributions from the State of California, Department of Transportation for cooperative transportation projects partly within the jurisdiction of the State of California. (Caltrans), State of California Public Utilities Commission (CPUC).

FUND 242

MISC. GRANT/ DEVELOPER CONTRIBUTIONS FUND

Misc. Grant and Developer Contribution Fund accounts for revenues and expenditures received from developers and local agencies for improvements.

FUND 250

Park Assessment Fund

The Park Assessment Fund collects citywide property assessments for debt service payments for the 2014 Certificates of Participation (COP) financing, 2017 Lease Revenue Bonds (LRB) financing, and new Parks and Recreation projects.

FUND 254

Sewer Maintenance Assessment Fund

Sewer Maintenance Assessment District Funds are used to account for the revenues and expenditures associated with maintenance services in the City.

FUND 252, 255, 256, 257

Street Lighting Assessment District Fund

Revenues consist of assessments levied against properties and are collected by Los Angeles County through the tax rolls. The properties assessed received benefits from street lighting within their neighborhoods. The City is currently in the process of taking over the operation and maintenance of the Southern California Edison Lights. Street Lighting Assessment District Funds are used to account for the revenue.

FUND 258

Enhanced Infrastructure Financing District

Enhanced Infrastructure Financing District (EIFD) in boundaries of the City of Palmdale and in incorporated Los Angeles County. These infrastructure improvements prioritized by the EIFD include key infrastructure projects that are cost prohibitive due to the significant cost to serve the sites and prevent new development from occurring. These infrastructure investments will assist the City's efforts to create jobs, provide housing opportunities, and invest in local and regional transportation.

FUND 280

Community Development Block Grant (CDBG)

The City of Palmdale is considered an entitlement city because its population exceeds 50,000. CDBG revenues are received directly from the U.S. Department of Housing and Urban Development (HUD). Funds are used for community activities and capital projects meeting the target area criteria.



Funding Sources for **Capital Projects**

County/Other Jurisdictions

Sewer Maintenance Assessment District Funds are used to account for the revenues and expenditures associated with maintenance services in the City.

Lancaster/Other Jurisdictions

Contributions by the City of Lancaster for their fair share of cooperative projects with split jurisdiction.

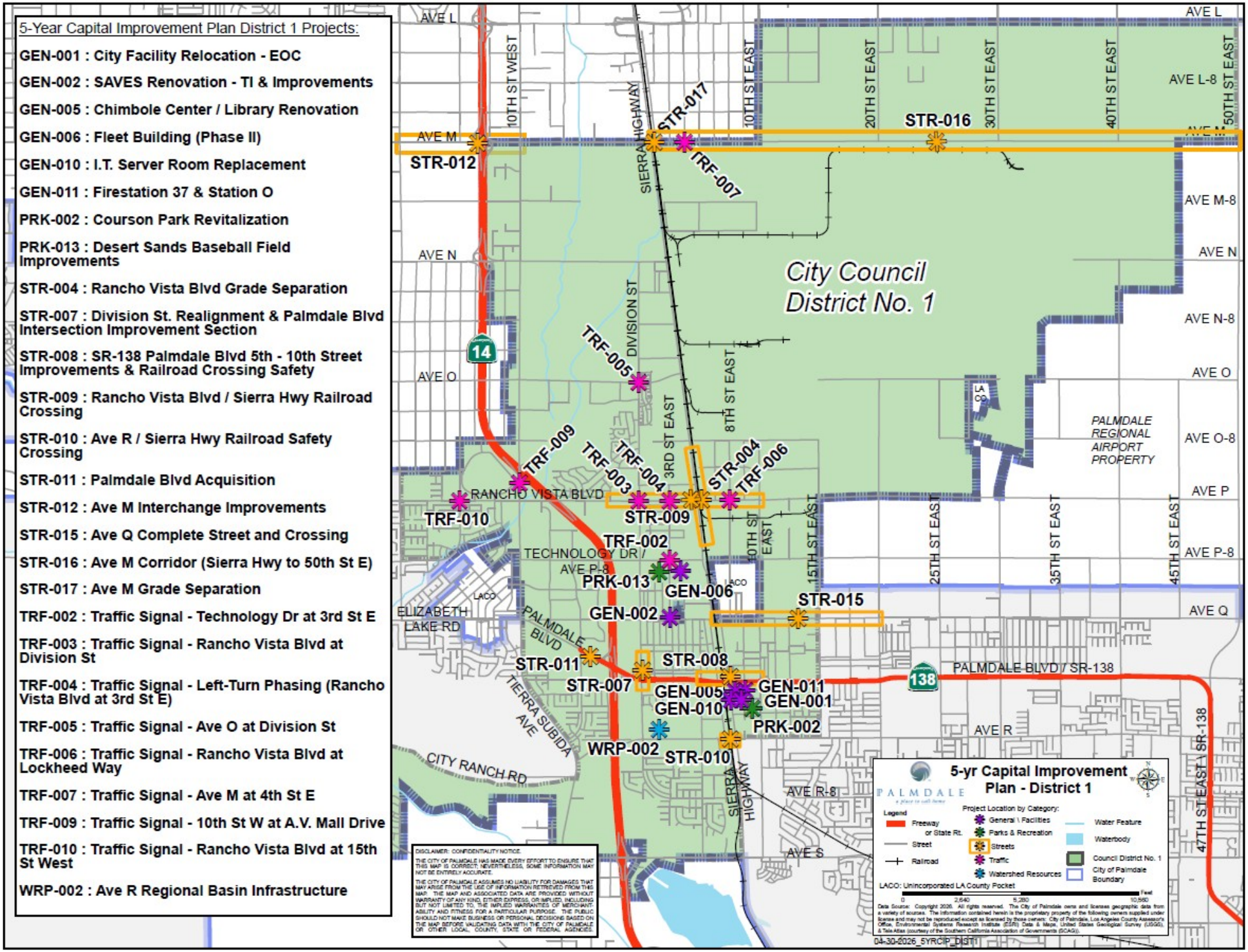
Railroad Contributions

Contributions by any one of the railroad entities (Southern California Regional Rail/ Metrolink or Union Pacific Railroad) for their fair share of projects that benefit one of their facilities, as determined by the California Public Utilities Commission.

CITY OF PALMDALE

Council District Maps




5-Year Capital Improvement Plan District 1 Projects:
GEN-001 : City Facility Relocation - EOC
GEN-002 : SAVES Renovation - TI & Improvements
GEN-005 : Chimbole Center / Library Renovation
GEN-006 : Fleet Building (Phase II)
GEN-010 : I.T. Server Room Replacement
GEN-011 : Firestation 37 & Station O
PRK-002 : Courson Park Revitalization
PRK-013 : Desert Sands Baseball Field Improvements
STR-004 : Rancho Vista Blvd Grade Separation
STR-007 : Division St. Realignment & Palmdale Blvd Intersection Improvement Section
STR-008 : SR-138 Palmdale Blvd 5th - 10th Street Improvements & Railroad Crossing Safety
STR-009 : Rancho Vista Blvd / Sierra Hwy Railroad Crossing
STR-010 : Ave R / Sierra Hwy Railroad Safety Crossing
STR-011 : Palmdale Blvd Acquisition
STR-012 : Ave M Interchange Improvements
STR-015 : Ave Q Complete Street and Crossing
STR-016 : Ave M Corridor (Sierra Hwy to 50th St E)
STR-017 : Ave M Grade Separation
TRF-002 : Traffic Signal - Technology Dr at 3rd St E
TRF-003 : Traffic Signal - Rancho Vista Blvd at Division St
TRF-004 : Traffic Signal - Left-Turn Phasing (Rancho Vista Blvd at 3rd St E)
TRF-005 : Traffic Signal - Ave O at Division St
TRF-006 : Traffic Signal - Rancho Vista Blvd at Lockheed Way
TRF-007 : Traffic Signal - Ave M at 4th St E
TRF-009 : Traffic Signal - 10th St W at A.V. Mall Drive
TRF-010 : Traffic Signal - Rancho Vista Blvd at 15th St West
WRP-002 : Ave R Regional Basin Infrastructure
City Council District No. 1
PALMDALE REGIONAL AIRPORT PROPERTY
AVE L
AVE M
AVE N
AVE O
AVE P
AVE Q
AVE R
AVE L-8
AVE M-8
AVE N-8
AVE O-8
AVE P-8
AVE R-8
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35TH ST EAST
45TH ST EAST
47TH ST EAST
RANCHO VISTA BLVD
TECHNOLOGY DR / AVE P-8
ELIZABETH LAKE RD
PALMDALE BLVD
PALMDALE BLVD / SR-138
TIERRA SUBIDA AVE
CITY RANCH RD
SIERRA HIGHWAY
SR-138
14
138
LACO
STR-012
STR-017
TRF-007
STR-016
TRF-005
TRF-009
TRF-004
TRF-003
STR-004
TRF-006
TRF-010
STR-009
TRF-002
PRK-013
GEN-006
GEN-002
STR-015
STR-011
STR-008
STR-007
GEN-005
GEN-010
GEN-011
GEN-001
PRK-002
WRP-002
STR-010
5-yr Capital Improvement Plan - District 1
PALMDALE
Legend
Freeway or State Rt.
Street
Railroad
Project Location by Category:
General \ Facilities
Parks & Recreation
Streets
Traffic
Watershed Resources
Water Feature
Waterbody
Council District No. 1
City of Palmdale Boundary
LACO: Unincorporated LA County Pocket
Feet
0
2,640
5,280
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04-30-2026_5YRCIP_DIST1
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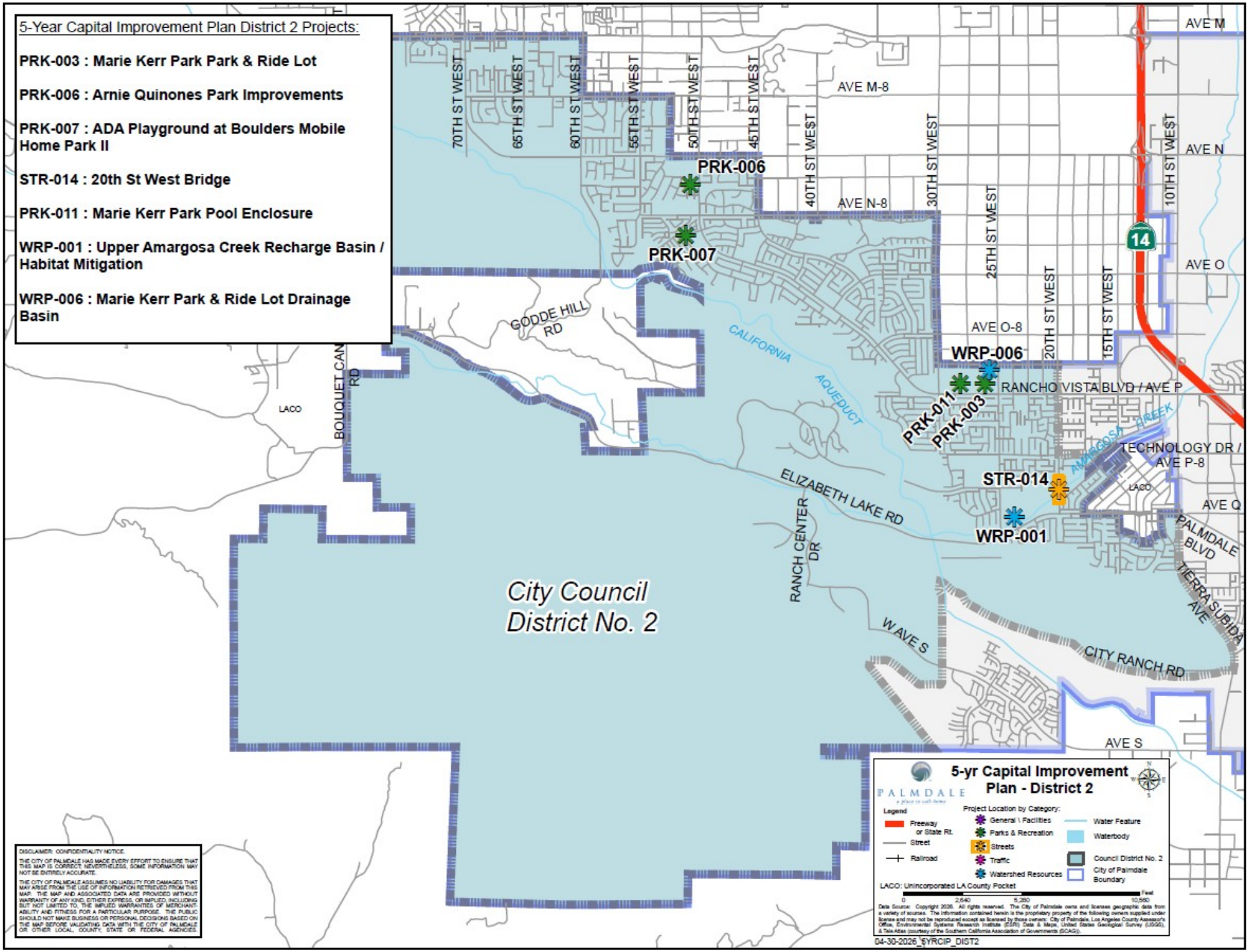
5-Year Capital Improvement Plan District 2 Projects:
PRK-003 : Marie Kerr Park Park & Ride Lot
PRK-006 : Arnie Quinones Park Improvements
PRK-007 : ADA Playground at Boulders Mobile Home Park II
STR-014 : 20th St West Bridge
PRK-011 : Marie Kerr Park Pool Enclosure
WRP-001 : Upper Amargosa Creek Recharge Basin / Habitat Mitigation
WRP-006 : Marie Kerr Park & Ride Lot Drainage Basin
City Council District No. 2
PRK-006
PRK-007
WRP-006
PRK-011
PRK-003
STR-014
WRP-001
RANCHO VISTA BLVD / AVE P
TECHNOLOGY DR / AVE P-8
ELIZABETH LAKE RD
GODDE HILL RD
BOUQUET CANYON RD
RANCH CENTER DR
W AVE S
CITY RANCH RD
PALMDALE BLVD
TIERRA SUBIDA AVE
AVE M
AVE N
AVE O
AVE Q
AVE S
AVE M-8
AVE N-8
AVE O-8
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14
CALIFORNIA AQUEDUCT
AMARGOSA CREEK
LACO
5-yr Capital Improvement Plan - District 2
PALMDALE
Legend
Freeway or State Rt.
Street
Railroad
Project Location by Category:
General \ Facilities
Parks & Recreation
Streets
Traffic
Watershed Resources
Water Feature
Waterbody
Council District No. 2
City of Palmdale Boundary
LACO: Unincorporated LA County Pocket
Feet
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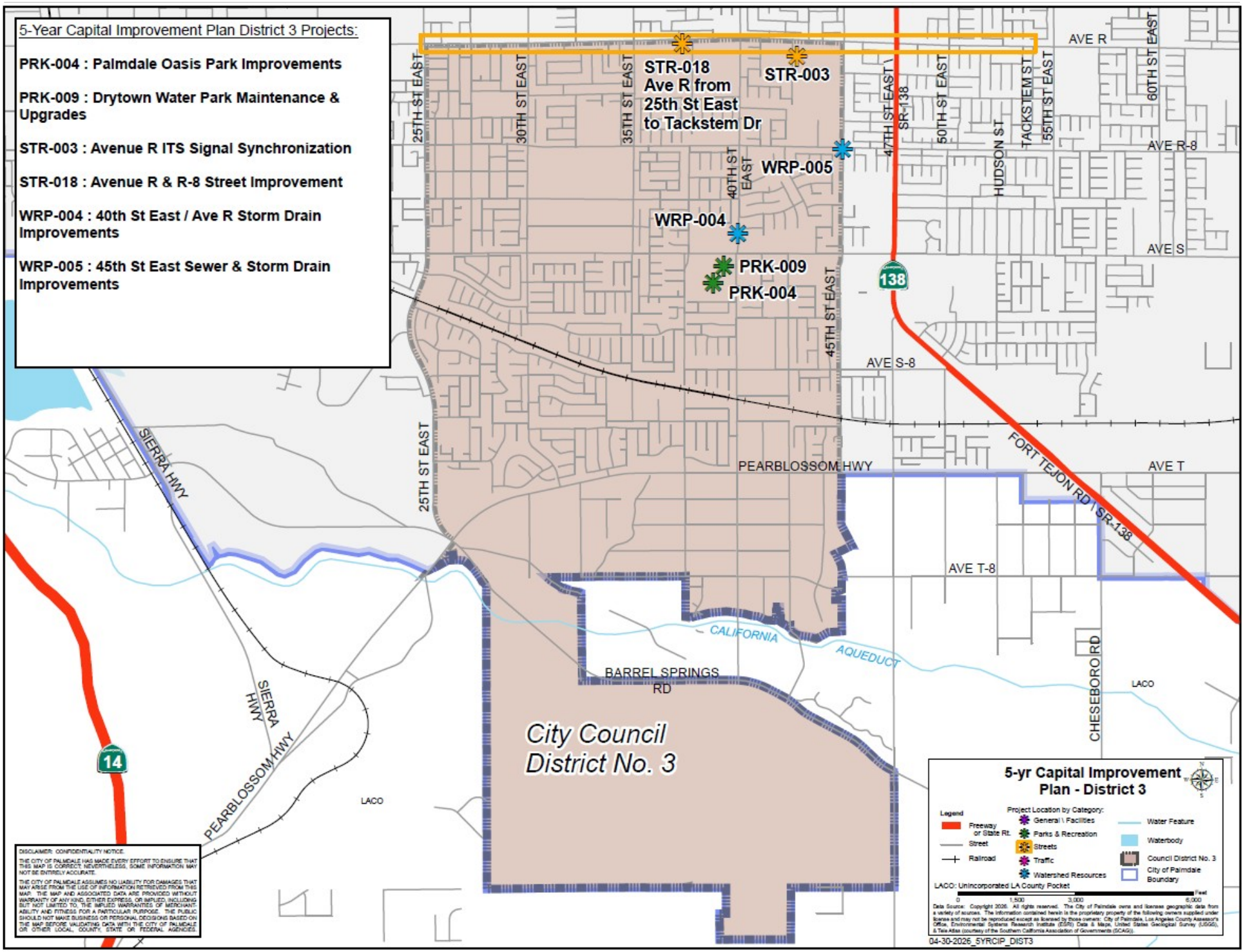
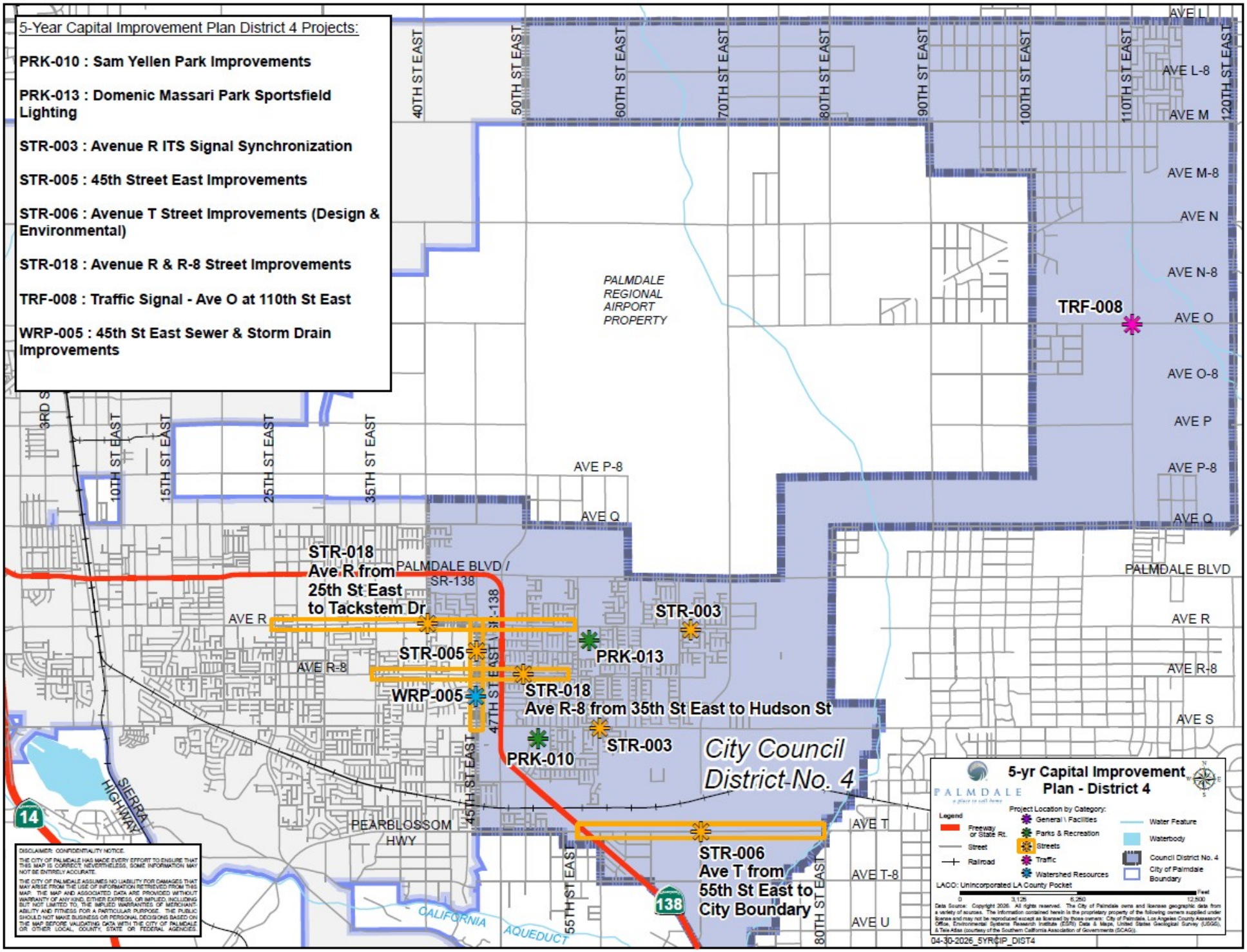

5-Year Capital Improvement Plan District 3 Projects:
PRK-004 : Palmdale Oasis Park Improvements
PRK-009 : Drytown Water Park Maintenance & Upgrades
STR-003 : Avenue R ITS Signal Synchronization
STR-018 : Avenue R & R-8 Street Improvement
WRP-004 : 40th St East / Ave R Storm Drain Improvements
WRP-005 : 45th St East Sewer & Storm Drain Improvements
STR-018 Ave R from 25th St East to Tackstem Dr
STR-003
WRP-005
WRP-004
PRK-009
PRK-004
AVE R
AVE R-8
AVE S
AVE S-8
AVE T
AVE T-8
25TH ST EAST
30TH ST EAST
35TH ST EAST
40TH ST EAST
45TH ST EAST
47TH ST EAST \ SR-138
50TH ST EAST
55TH ST EAST
60TH ST EAST
HUDSON ST
TACKSTEM ST
PEARBLOSSOM HWY
SIERRA HWY
FORT TEJON RD \ SR-138
CALIFORNIA AQUEDUCT
BARREL SPRINGS RD
CHESEBORO RD
LACO
City Council District No. 3
5-yr Capital Improvement Plan - District 3
Legend
Freeway or State Rt.
Street
Railroad
Project Location by Category:
General \ Facilities
Parks & Recreation
Streets
Traffic
Watershed Resources
Water Feature
Waterbody
Council District No. 3
City of Palmdale Boundary
LACO: Unincorporated LA County Pocket
04-30-2026_5YRCIP_DIST3


5-Year Capital Improvement Plan District 4 Projects:
PRK-010 : Sam Yellen Park Improvements
PRK-013 : Domenic Massari Park Sportsfield Lighting
STR-003 : Avenue R ITS Signal Synchronization
STR-005 : 45th Street East Improvements
STR-006 : Avenue T Street Improvements (Design & Environmental)
STR-018 : Avenue R & R-8 Street Improvements
TRF-008 : Traffic Signal - Ave O at 110th St East
WRP-005 : 45th St East Sewer & Storm Drain Improvements
PALMDALE REGIONAL AIRPORT PROPERTY
TRF-008
STR-018 Ave R from 25th St East to Tackstem Dr
STR-005
WRP-005
STR-018 Ave R-8 from 35th St East to Hudson St
STR-003
PRK-013
PRK-010
STR-006 Ave T from 55th St East to City Boundary
City Council District No. 4
PALMDALE BLVD / SR-138
PALMDALE BLVD
AVE R
AVE R-8
AVE P-8
AVE Q
AVE T
AVE T-8
AVE U
AVE S
AVE L
AVE L-8
AVE M
AVE M-8
AVE N
AVE N-8
AVE O
AVE O-8
AVE P
40TH ST EAST
50TH ST EAST
60TH ST EAST
70TH ST EAST
80TH ST EAST
90TH ST EAST
100TH ST EAST
110TH ST EAST
120TH ST EAST
3RD ST
10TH ST EAST
15TH ST EAST
25TH ST EAST
35TH ST EAST
45TH ST EAST
47TH ST EAST
55TH ST EAST
80TH ST EAST
SIERRA HIGHWAY
PEARBLOSSOM HWY
CALIFORNIA AQUEDUCT
14
138
5-yr Capital Improvement Plan - District 4
PALMDALE
Legend
Freeway or State Rt.
Street
Railroad
Project Location by Category:
General \ Facilities
Parks & Recreation
Streets
Traffic
Watershed Resources
Water Feature
Waterbody
Council District No. 4
City of Palmdale Boundary
LACO: Unincorporated LA County Pocket
0
3,125
6,250
12,500
Feet
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04-30-2026_5YRCIP_DIST4
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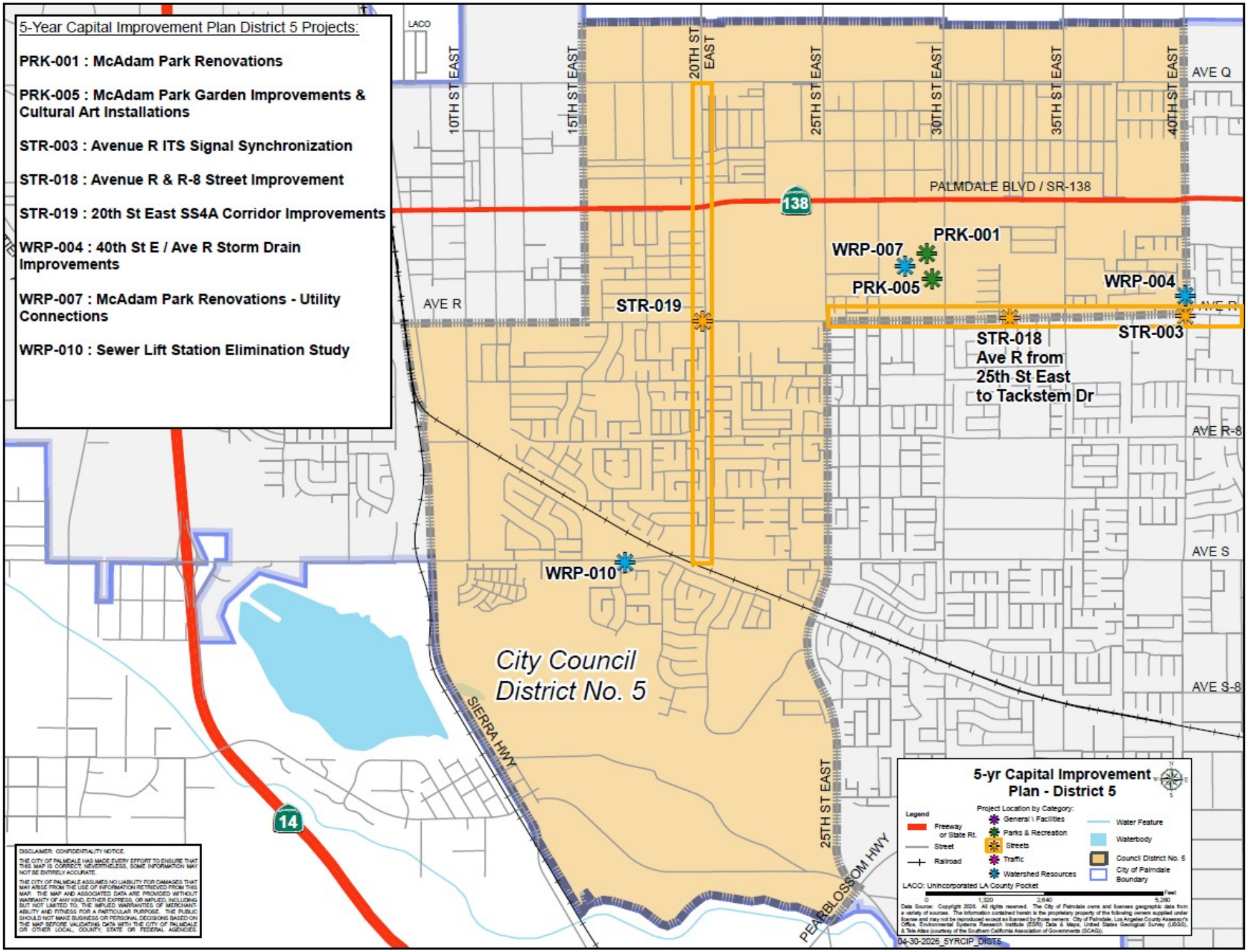
5-Year Capital Improvement Plan District 5 Projects:
PRK-001 : McAdam Park Renovations
PRK-005 : McAdam Park Garden Improvements & Cultural Art Installations
STR-003 : Avenue R ITS Signal Synchronization
STR-018 : Avenue R & R-8 Street Improvement
STR-019 : 20th St East SS4A Corridor Improvements
WRP-004 : 40th St E / Ave R Storm Drain Improvements
WRP-007 : McAdam Park Renovations - Utility Connections
WRP-010 : Sewer Lift Station Elimination Study
LACO
10TH ST EAST
15TH ST EAST
20TH ST EAST
25TH ST EAST
30TH ST EAST
35TH ST EAST
40TH ST EAST
AVE Q
PALMDALE BLVD / SR-138
138
PRK-001
WRP-007
PRK-005
WRP-004
AVE R
STR-019
STR-018
Ave R from
25th St East
to Tackstem Dr
STR-003
AVE R-8
AVE S
WRP-010
City Council
District No. 5
SIERRA HWY
AVE S-8
25TH ST EAST
PEARBLOSSOM HWY
14
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5-yr Capital Improvement Plan - District 5
Legend
Freeway or State Rt.
Street
Railroad
Project Location by Category:
General \ Facilities
Parks & Recreation
Streets
Traffic
Watershed Resources
Water Feature
Waterbody
Council District No. 5
City of Palmdale Boundary
LACO: Unincorporated LA County Pocket
0
1,320
2,640
5,280
Feet
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04-30-2026_5YRCIP_DIST5

CITY OF PALMDALE

General/Facilities *Projects*



General/Facilities *Projects*

Five-Year Funding Summary
Projected Budget Totals 2026-2031
(all figures below in thousands of dollars)

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total*
American Rescue Fund	$9,525	$—	$—	$—	$—	**$9,525**
Air Quality Improvement Fund	$400	$—	$—	$—	$—	**$400**
CDBG Fund	$8,997	$1,000	$1,000	$1,200	$1,200	**$13,397**
Facilities Fund	$2,000	$—	$—	$—	$—	**$2,000**
Federal Grant Fund	$1,200	$—	$—	$—	$—	**$1,200**
Fire Facility Fund	$-	$2,000	$5,000	$6,000	$4,000	**$17,000**
Landscape Maintenance Fund	$791	$—	$—	$—	$—	**$791**
Gas Tax Fund	$—	$—	$—	$—	$—	**$—**
General Tax Fund	$12,419	$3,000	$3,000	$2,581	$—	**$21,000**
Measure AV Fund	$2,299	$3,500	$3,250	$3,834	$—	**$12,883**
Measure M Local Return Fund	$1,100	$—	$—	$—	$—	**$1,100**
Measure R Local Return Fund	$1,000	$—	$—	$—	$—	**$1,000**
Prop A Fund	$448	$300	$300	$300	$300	**$1,648**
Prop C Local Return Fund	$1,900	$—	$—	$—	$—	**$1,900**
Public Facility Fund	$668	$—	$—	$—	$—	**$668**
Sewer Maintenance Fund	$4,000	$—	$—	$—	$—	**$4,000**
TBD	$—	$1,000	$1,000	$1,000	$1,000	**$4,000**
TDA Article 3 Fund	$71	$200	$200	$200	$200	**$871**
Totals	**$46,818**	**$11,000**	**$13,750**	**$15,115**	**$6,700**	**$93,383**

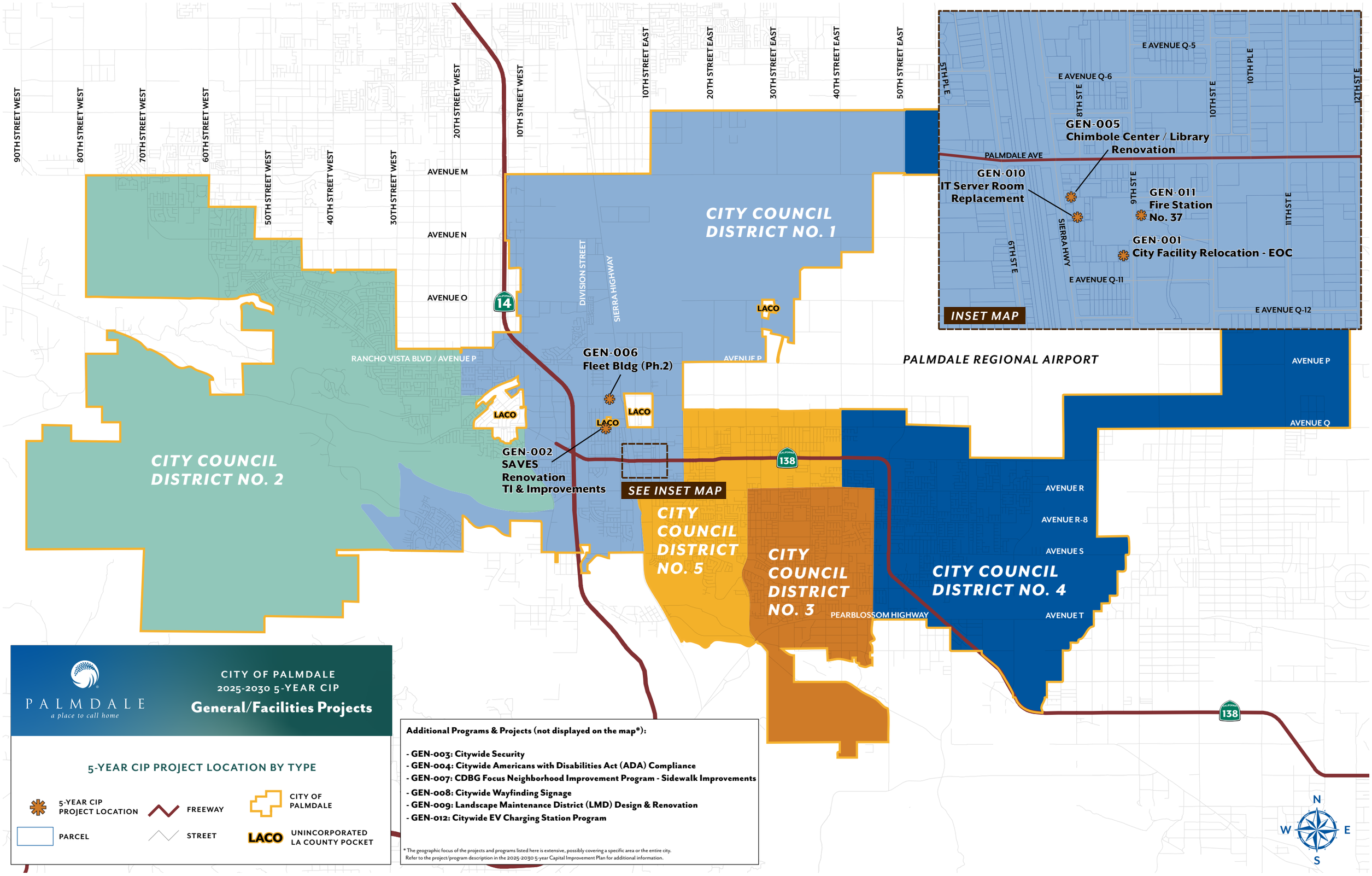
* The amount shown is a preliminary estimated budget for the anticipated total cost of the projects and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

General/Facilities Project List

FIVE YEAR CIP PROJECT #		COUNCIL DISTRICT	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	TOTAL PROJECT COSTS (IN THOUSANDS)
GEN-001	City Facility Relocation - EOC	1	$5,000	$1,001	$—	$—	$—	$6,001
GEN-002	SAVES Renovation - TI & Improvements	1	$—	$9,784	$—	$—	$—	$9,784
GEN-003	Citywide Security	1-5	$500	$500	$250	$189	$—	$1,439
GEN-004	Citywide Americans with Disabilities Act (ADA) Compliance Program	1-5	$400	$400	$400	$400	$466	$2,066
GEN-005	Chimbole Center/ Library Renovation	1	$16,000	$15,000	$5,000	$—	$—	$36,000
GEN-006	Fleet Building (Phase II)	5	$5,000	$3,800	$—	$—	$—	$8,800
GEN-007	CDBG Focus Neighborhood Improvement Program - Sidewalk Improvements	1-5	$970	$1,000	$1,000	$1,180	$899	$5,049
GEN-008	Citywide Wayfinding Signage	1-5	$53	$100	$100	$100	$100	$453
GEN-009	Landscape Maintenance Districts (LMD) Design & Renovation	1-5	$250	$250	$291	$—	$—	$791
GEN-010	IT Server Room Replacement	1	$2,000	$—	$—	$—	$—	$2,000
GEN-011	Fire Stations 37 & Station O	5	$—	$2,000	$5,000	$6,000	$4,000	$17,000
GEN-012	Citywide EV Charging Station Program	1-5	$—	$1,000	$1,000	$1,000	$1,000	$4,000
		TOTAL	$30,173	$34,835	$13,000	$8,870	$6,400	$93,383

General/Facilities Expenditures

Project No.	Project Name	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
GEN-001	CITY FACILITY RELOCATION - EOC	$5,000	$1,001	$—	$—	$—
GEN-002	SAVES RENOVATION - TI & IMPROVEMENTS	$—	$9,784	$—	$—	$—
GEN-003	CITYWIDE SECURITY	$500	$500	$250	$190	$—
GEN-004	CITYWIDE AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE PROGRAM	$400	$400	$400	$400	$400
GEN-005	CHIMBOLE CENTER / LIBRARY RENOVATION	$16,000	$15,000	$5,000	$—	$—
GEN-006	FLEET BUILDING (PHASE II)	$5,000	$3,800	$—	$—	$—
GEN-007	CDBG FOCUS NEIGHBORHOOD IMPROVEMENT PROGRAM - SIDEWALK IMPROVEMENTS	$970	$1,000	$1,000	$1,180	$900
GEN-008	CITYWIDE WAYFINDING SIGNAGE	$53	$100	$100	$100	$100
GEN-009	LANDSCAPE MAINTENANCE DISTRICTS (LMD) DESIGN & RENOVATION	$250	$250	$250	$—	$—
GEN-010	IT SERVER ROOM REPLACEMENT	$2,000	$—	$—	$—	$—
GEN-011	FIRESTATION 37 & STATION O	$—	$2,000	$5,000	$6,000	$4,000
GEN-012	CITYWIDE EV CHARGING STATION PROGRAM	$—	$1,000	$1,000	$1,000	$1,000
	TOTAL	**$30,173**	**$34,835**	**$13,000**	**$8,870**	**$6,400**



PALMDALE
a place to call home

CITY OF PALMDALE
2025-2030 5-YEAR CIP

General/Facilities Projects

5-YEAR CIP PROJECT LOCATION BY TYPE

- 5-YEAR CIP PROJECT LOCATION
- FREEWAY
- CITY OF PALMDALE
- PARCEL
- STREET
- LACO — UNINCORPORATED LA COUNTY POCKET

Additional Programs & Projects (not displayed on the map*):

- GEN-003: Citywide Security
- GEN-004: Citywide Americans with Disabilities Act (ADA) Compliance
- GEN-007: CDBG Focus Neighborhood Improvement Program - Sidewalk Improvements
- GEN-008: Citywide Wayfinding Signage
- GEN-009: Landscape Maintenance District (LMD) Design & Renovation
- GEN-012: Citywide EV Charging Station Program

* The geographic focus of the projects and programs listed here is extensive, possibly covering a specific area or the entire city. Refer to the project/program description in the 2025-2030 5-year Capital Improvement Plan for additional information.

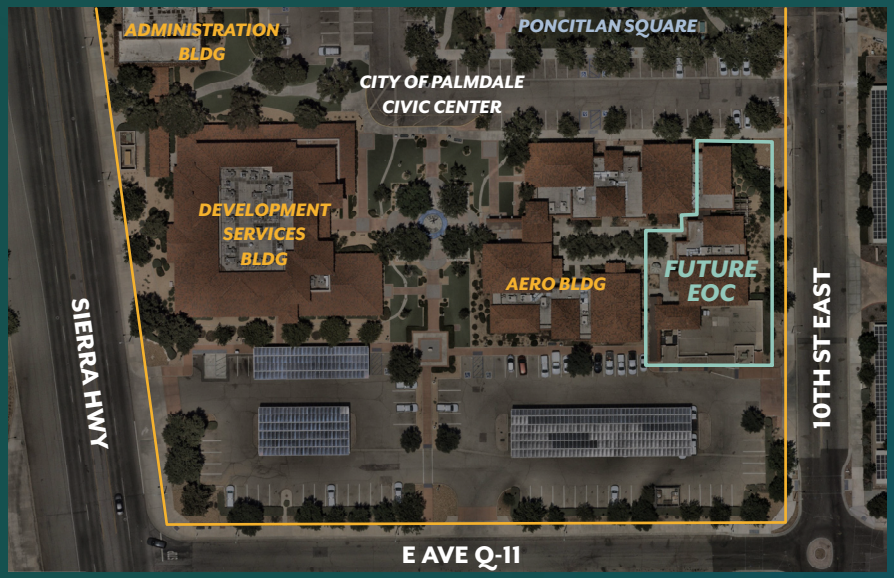
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-001

City Facility Relocation - *EOC*

Development of Emergency Operations Center in existing Aero Institute Building. Renovation of the City's Emergency Operations Center (EOC) and ancillary departments affected by the EOC.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
American Rescue Plan Act (ARPA) Fund	$3,800					**$3,800**
Federal Grant Fund	$1,200					**$1,200**
Measure AV Fund	$333					**$333**
Public Facilities Fund	$668					**$668**
Total	**$6,001**					**$6,001**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-002

SAVES Renovation - *TI & Improvements*

Relocation of the SAVES facility along with space for housing programs. City is doing a feasibility report for relocation properties. Costs includes TI improvements design for a 8,000 sf building.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
American Rescue Fund	$1,436					**$1,436**
CDBG Fund	$8,348					**$8,348**
Total	**$9,784**					**$9,784**

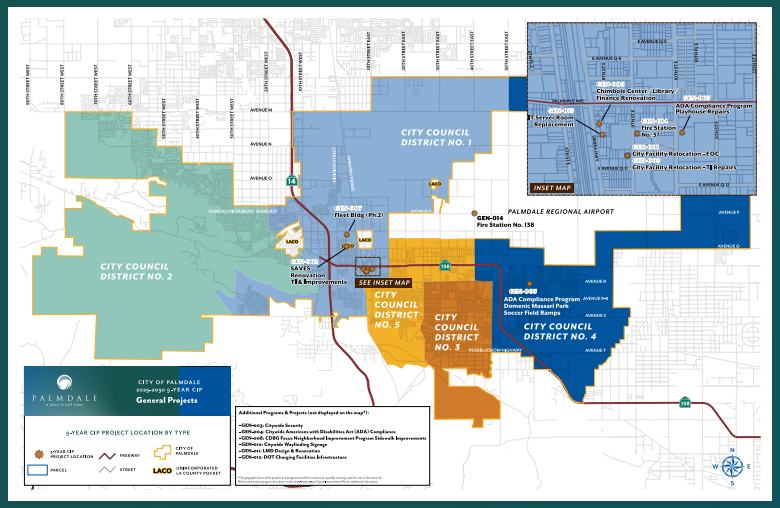
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-003

Citywide *Security*

The City will continue installation of security measures for all City facilities, including park and rides, parks, City buildings. This includes but is not limited to additional cameras and access controls.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure AV Fund	$145	$200	$50	$50		**$445**
Prop A Fund	$294	$300	$200	$200		**$994**
Total	**$439**	**$500**	**$250**	**$250**		**$1,439**

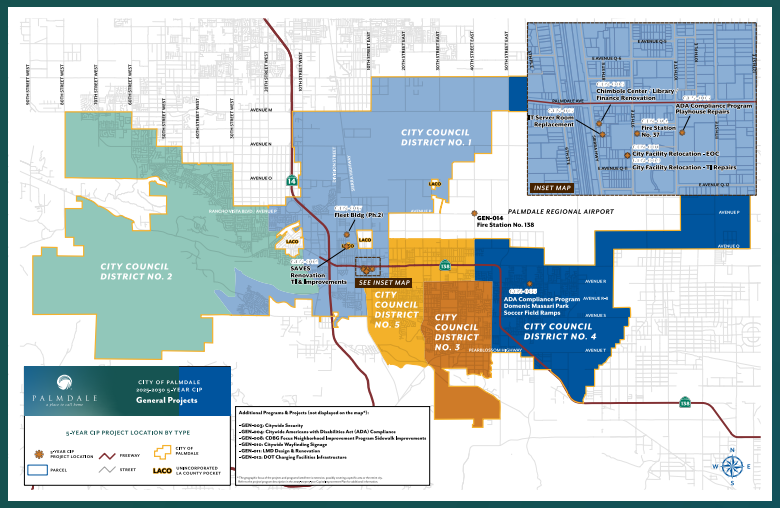
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-004

Citywide Americans with Disabilities Act (ADA) *Compliance Program*

Construction of improvements in order to comply with the Americans with Disabilities Act (ADA). Projects may include: upgrading existing handicap ramps, installation of truncated domes, ADA upgrade of City facilities.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Prop A Fund	$395	$200	$200	$200	$200	**$1,195**
TDA Article 3 Fund	$71	$200	$200	$200	$200	**$871**
Total	**$466**	**$400**	**$400**	**$400**	**$400**	**$2,066**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-005

Chimbole Center/Library *Renovation*

Phase 1
Chimbole Center - The exterior and interior renovations will include upgrades to all existing electrical, plumbing, and HVAC. A complete audiovisual package and security system will be installed. The exterior will also include accessibility, lighting, landscape improvements, and parking lot improvements.

Library - The breezeway between the Chimbole Center and the Library will be eliminated to provide an addition to increase the square footage of the Chimbole Center, and to provide a connection to the Library for added programming.

Phase 2 - The existing Library will be renovated to provide more up-to-date technology and programming. The approximate expansion is 4,000 square feet.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
American Rescue Fund	$4,289					**$4,289**
Measure AV Fund	$1,527	$3,000	$3,000	$3,584		**$11,111**
General Fund	$12,019	$3,000	$3,000	$2,581		**$20,600**
TBD						
Total	**$17,835**	**$6,000**	**$6000**	**$6,165**		**$36,000**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-006

Fleet Building *(Phase II)*

Phasing of improvements to the site: Proposed buildings for the site: Phase II - Fleet Building (12,000 sf); Phase III - Street Sweeper & Street Maintenance and westside mini operations; Phase IV - Park Maintenance and storage and eastside mini operation; Phase V - Traffic Signal Building.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Sewer Maintenance Fund	$4,000					**$4,000**
Gas Tax Fund	$0					**$0**
Air Quality Improvement Fund	$400					**$400**
General Fund	$400					**$400**
Prop C Local Return Fund	$1,900					**$1,900**
Meas R Local Return Fund	$1,000					**$1,000**
Meas M Local Return Fund	$1,100					**$1,100**
Total	**$8,800**					**$8,800**

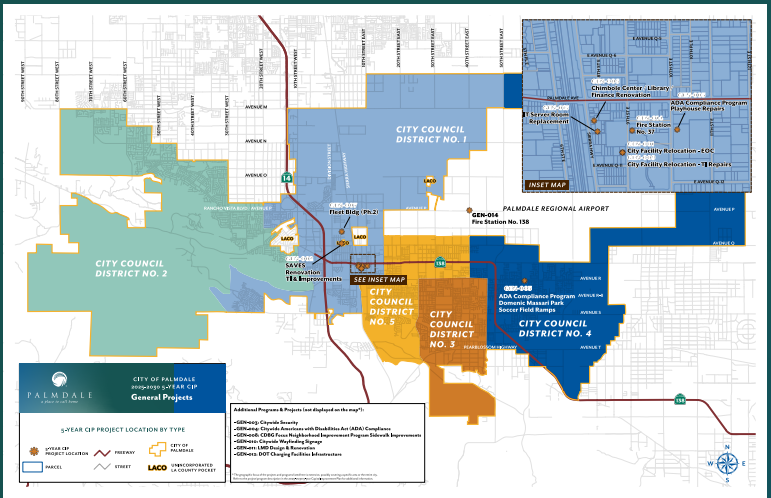
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-007

CDBG Focus Neighborhood Improvement Program - *Sidewalk Improvements*

Annual sidewalk improvements completed in designated eligible locations.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
CDBG Fund	$649	$1,000	$1,000	$1,200	$1,200	**$5,049**
Total	**$649**	**$1,000**	**$1,000**	**$1,200**	**$1,200**	**$5,049**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-008

Citywide *Wayfinding Signage*

Continued upkeep of citywide directional wayfinding signs to City facilities and other locations.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Prop A Fund	$53	$100	$100	$100	$100	**$453**
Total	**$53**	**$100**	**$100**	**$100**	**$100**	**$453**

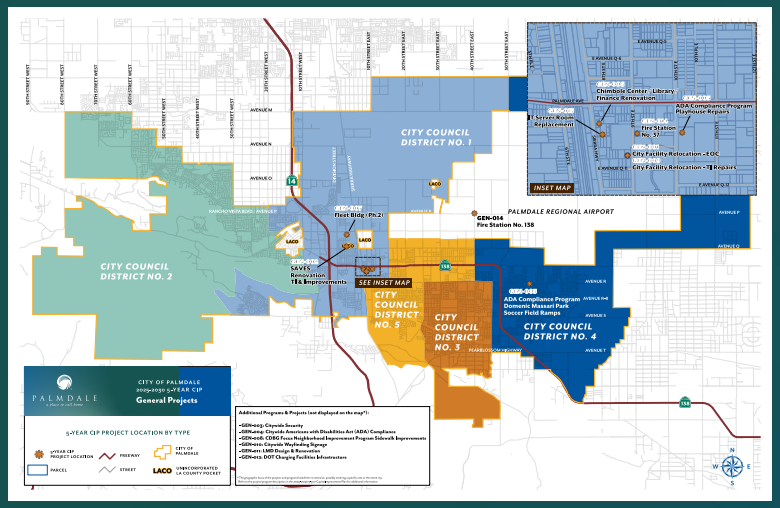
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-009

Landscape Maintenance Districts (LMD) *Design & Renovation*

The City's Landscape Assessment Districts (LAD) need wrought iron perimeter security fencing rehabilitation in their drainage basins. There are numerous LAD basins with aging fencing (25–30 years old) at the end of its service life that require replacement. The project will require complete removal and disposal of the existing wrought iron fencing, demolition of footings, fabrication and welding of replacement wrought iron fencing, painting, installation of posts, pouring of replacement post footings, and final installation of the fencing. The Public Works Landscape Maintenance team will provide project management and field inspections.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Landscape Maintenance District Fund	$791					**$791**
Total	**$791**					**$791**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-010

IT Server Room *Replacement*

This work will include demolition, framing, drywall, re-carpeting, painting, possible relocation of lighting and HVAC venting. Planning and design will begin in FY 26-27 and will be completed in future fiscal years.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Total
Facilties Fund	$2,000					**$2,000**
Total	**$2,000**					**$2,000**

Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-011

Fire Stations 37 & *Station O*

Property acquisition and offsite infrastructure for future fire stations. Fire Station 37 (Sierra Highway - downtown area). Onsite improvements will be constructed by Los Angeles County. Northeast Palmdale Fire Station O (Avenue Q-6 @ 9th Street East). Onsite improvements will be constructed by Los Angeles County.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Fire Facilities Impact Fees		$2,000	$5,000	$6,000	$4,000	**$17,000**
Total		**$2,000**	**$5,000**	**$6,000**	**$4,000**	**$17,000**

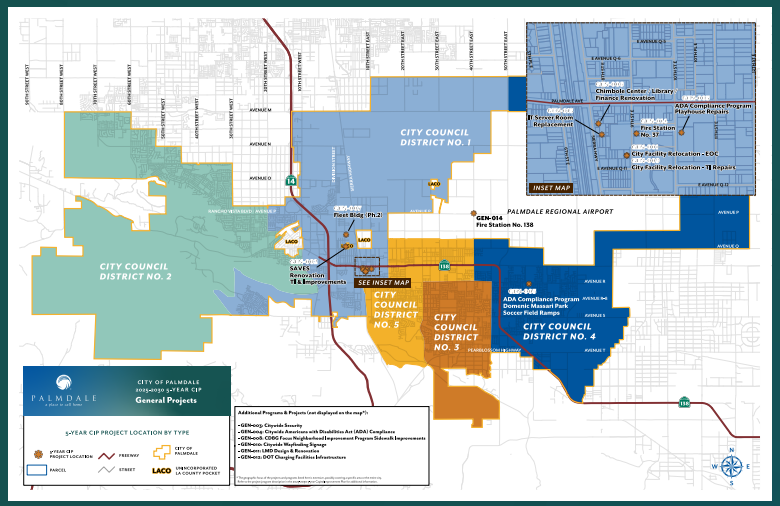
Five-Year **Capital Improvement Plan**

General/Facilities Projects

GEN-012

Citywide EV *Charging Station Program*

City's masterplan to deploy EV charging stations throughout the City to provide adequate charging stations in the most efficient and cost-effective way possible. The program will evaluate the needs of EV charging stations in the community and ensure equal access for all socioeconomic groups and affordable energy for underserved communities. The program will guide the City's strategy for prioritizing the deployment of EV stations over the 10-year horizon.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD		$1,000	$1,000	$1,000	$1,000	**$4,000**
Total		**$2,000**	**$2,000**	**$2,000**	**$2000**	**$4,000**

CITY OF PALMDALE

Parks & *Recreation*



Parks & Recreation *Projects*

Five-Year Funding Summary
Projected Budget Totals 2026-2031
(all figures below in thousands of dollars)

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total Budget*
CDBG Fund	$500	$—	$—	$—	$—	**$500**
Developer Fund	$275	$—	$—	$—	$—	**$275**
Drainage Fund	$1,000	$—	$—	$—	$—	**$1,000**
Drytown Waterpark Fund	$597	$—	$—	$—	$—	**$597**
General Fund	$150	$—	$—	$—	$—	**$150**
Park Measure A Fund	$5,444	$—	$—	$—	$—	**$5,444**
Measure AV Fund	$18,678	$—	$—	$—	$—	**$18,678**
Park Development Fund	$375	$—	$—	$—	$—	**$375**
Drainage Fund	$881	$—	$—	$—	$—	**$881**
Prop A Local Return Fund	$6,616	$—	$—	$—	$—	**$6,616**
Public Art Fund	$114	$—	$—	$—	$—	**$114**
Sewer Maintenance Assessment District	$200	$—	$—	$—	$—	**$200**
State Grant Fund	$3,836	$—	$—	$—	$—	**$3,836**
TBD	$300	$300	$300	$6,300	$300	**$7,500**
Total	**$38,966**	**$300**	**$300**	**$6,300**	**$300**	**$46,166**

* The amount shown is a preliminary estimated budget for the anticipated total cost of the projects and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the budget process and are considered before projects are approved as part of the City's annual budget.

Parks & Recreation Project List

FIVE YEAR CIP PROJECT #		COUNCIL DISTRICT	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	TOTAL PROJECT BUDGET (IN THOUSANDS)
PRK-001	McAdam Park Renovations	5	$8,432	$2,400	$—	$—	$—	$10,832
PRK-002	Courson Park Revitalization	1	$6,342	$—	$—	$—	$—	$6,342
PRK-003	Marie Kerr Park and Ride Lot	2	$5,000	$5,000	$—	$—	$—	$10,000
PRK-004	Palmdale Oasis Park Improvements	3	$2,000	$1,381	$—	$—	$—	$3,381
PRK-005	McAdam Garden Improvements & Cultural Art Installations	5	$—	$—	$150	$100	$50	$300
PRK-006	Arnie Quinones Park Improvements	2	$—	$—	$—	$3,000	$3,300	$6,300
PRK-007	ADA Playground at Boulders Mobile Home Park II	2	$500	$—	$—	$—	$—	$500
PRK-008	General Park Improvement Projects	1-5	$300	$300	$300	$200	$222	$1,322
PRK-009	DryTown Water Park Maintenance & Upgrades	3	$350	$400	$400	$500	$447	$2,097
PRK-019	Sam Yellen Park Improvements	4	$—	$1,330	$—	$—	$—	$1,330
PRK-011	Marie Kerr Park Pool Enclosure	2	$—	$—	$—	$702	$—	$702
PRK-012	Desert Sands Baseball Field Improvement	1	$500	$500	$530	$—	$—	$1,530
PRK-013	Domenic Massari Park Sportsfield Lighting	4	$—	$—	$1,530	$—	$—	$1,530
		TOTAL	**$23,424**	**$11,311**	**$2,910**	**$4,502**	**$4,019**	**$46,166**

Parks & Recreation Expenditures

Project No.	Project Name	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
PRK-001	MCADAM PARK RENOVATIONS	$8,432	$2,400	$—	$—	$—
PRK-002	COURSON PARK REVITALIZATION	$6,342	$—	$—	$—	$—
PRK-003	MARIE KERR PARK AND RIDE LOT	$5,000	$5,000	$—	$—	$—
PRK-004	OASIS PARK IMPROVEMENTS	$2,000	$1,381	$—	$—	$—
PRK-005	MCADAM GARDEN IMPROVEMENT & CULTURAL ART INSTALLATIONS	$—	$—	$150	$100	$50
PRK-006	ARNIE QUINONES PARK IMPROVEMENTS	$—	$—	$—	$3,000	$3,300
PRK-007	ADA PLAYGROUND AT BOULDERS MOBILE HOME PARK II	$500	$—	$—	$—	$—
PRK-008	GENERAL PARK IMPROVEMENT PROJECTS	$300	$300	$300	$200	$222
PRK-009	DRYTOWN WATER PARK MAINTENANCE & UPGRADES	$350	$400	$400	$500	$447
PRK-010	SAM YELLEN PARK IMPROVEMENTS	$—	$1,330	$—	$—	$—
PRK-011	MARIE KERR PARK POOL ENCLOSURE	$—	$—	$—	$702	$—
PRK-012	DESERT SANDS BASEBALL FIELD IMPROVEMENT	$500	$500	$530	$—	$—
PRK-013	DOMENIC MASSARI PARK SPORTSFIELD LIGHTING	$—	$—	$1,530	$—	$—
		$23,424	**$11,311**	**$2,910**	**$4,502**	**$4,019**

90TH STREET WEST
80TH STREET WEST
70TH STREET WEST
60TH STREET WEST
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120TH STREET EAST

AVENUE L
AVENUE M
AVENUE N
AVENUE O
AVENUE P
AVENUE Q
AVENUE R
AVENUE S
AVENUE T

DIVISION STREET
SIERRA HIGHWAY
RANCHO VISTA BLVD / AVENUE P
PALMDALE BLVD
PEARBLOSSOM HIGHWAY

CALIFORNIA 14
CALIFORNIA 138

CITY COUNCIL DISTRICT NO. 1

CITY COUNCIL DISTRICT NO. 2

CITY COUNCIL DISTRICT NO. 3

CITY COUNCIL DISTRICT NO. 4

CITY COUNCIL DISTRICT NO. 5

LACO

PRK-006
Arnie Quinones Park Improvements

PRK-007
ADA Playground at Boulders Mobile Home Park II

PRK-003
Marie Kerr Park Park & Ride Lot

PRK-011
Marie Kerr Park Pool Enclosure

PRK-013
Desert Sands Baseball Field Improvements

PRK-001
McAdam Park Renovations

PRK-005
McAdam Park Garden Improvements & Cultural Art Installations

PRK-002
Courson Park Revitalization

PRK-013
Domenic Massari Park Sportsfield Lighting

PRK-010
Sam Yellen Park Improvements

PRK-004
Palmdale Oasis Park Improvements

PRK-009
Drytown Water Park Maintenance & Upgrades

PALMDALE
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CITY OF PALMDALE
2025-2030 5-YEAR CIP

Parks & Recreation Projects

5-YEAR CIP PROJECT LOCATION BY TYPE

- 5-YEAR CIP PROJECT LOCATION
- FREEWAY
- STREET
- CITY OF PALMDALE
- LACO — UNINCORPORATED LA COUNTY POCKET

Additional Programs & Projects (not displayed on the map):

- PRK-008: General Park Improvement Projects

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Five-Year **Capital Improvement Plan**

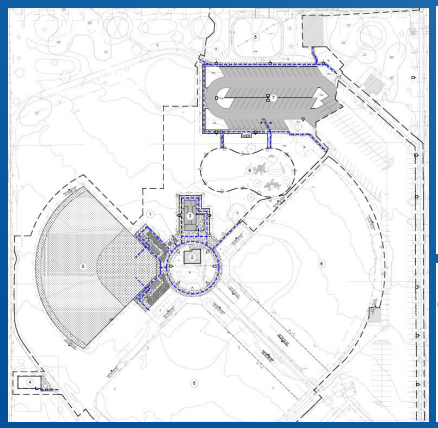
Parks & Recreation Projects

PRK-001

McAdam Park *Renovations*

Phase 1: Project proposes to renovate McAdam Park, including but not limited to, replacing the playground, replacing the existing restroom with a restroom and concession unit, replacing the maintenance storage building with a new structure, updating sports field lighting with new LED lighting, installing a new softball field with sports field lighting, expand the parking lot, resurfacing the existing parking lot and re-stripe, and installing a new park monument sign. Phase 1 is slated to begin construction spring 2026.

Phase 2: Project proposes repairing the Old Schoolhouse to include roof, wood siding, and upgrading hardscape surroundings. It will also include repairing and painting existing pavilions. Phase 2 is slated to begin construction by end of calendar year 2026.







PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Developer Fund	$275					**$275**
Measure AV Fund	$10,357					**$10,357**
Sewer Maintenance Asscessment District Fund	$200					**$200**
Total	**$10,832**					**$10,832**

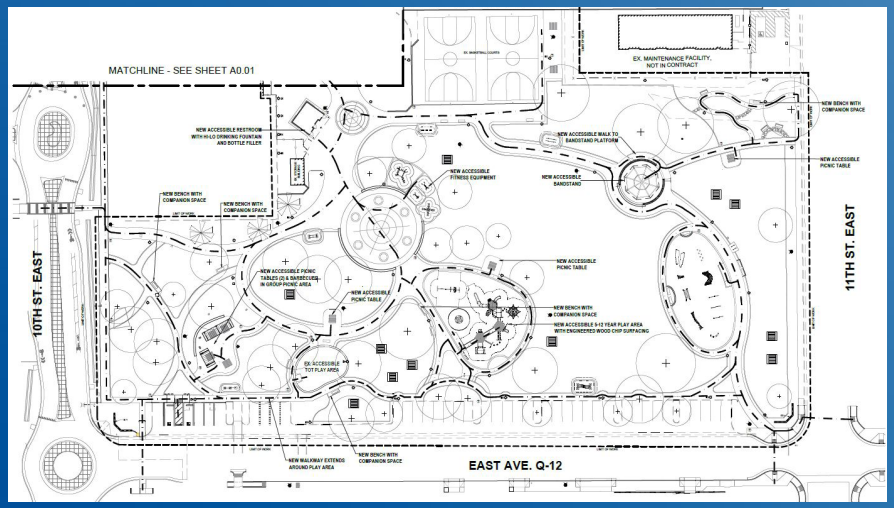
Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-002

Courson Park *Revitalization*

Project proposes to renovate Courson Park, including but not limited to install new landscaping and irrigation system, replace and construct new playground, add fitness equipment, obstacle course, walking path, and new mural. The project is slated to begin spring 2026.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
General Fund	$150					$150
Measure AV Fund	$2,356					$2,356
State Grant	$3,836					$3,836
Total	**$6,342**					**$6,342**

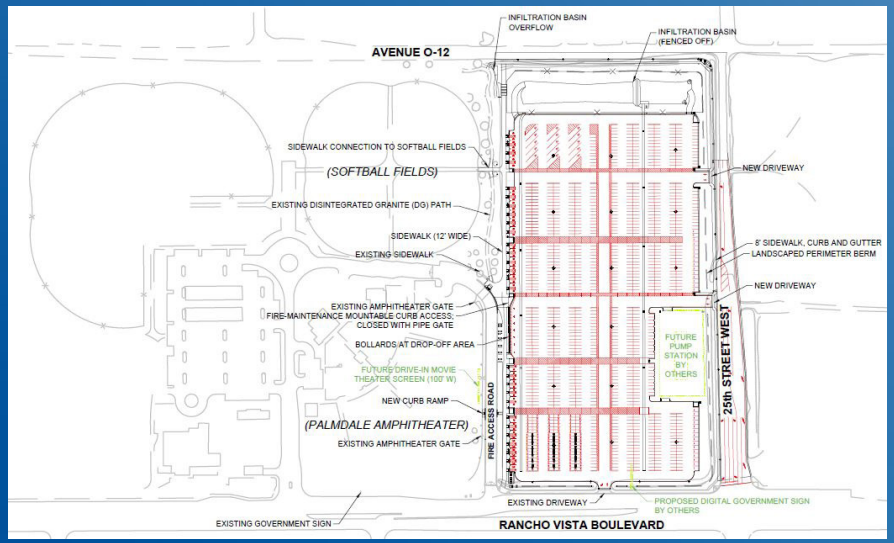
Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-003

Marie Kerr
Park and Ride Lot

The project proposes constructing a new 20-acre park and ride located east of the Palmdale Amphitheater at Marie Kerr Park and a new bioretention basin. Construction is slated to begin Summer 2026.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure A Grant Fund	$2,384					$2,384
Drainage Fund	$1,000					$1,000
Prop A Local Return Fund	$6,616					$6,616
Total	**$10,000**					**$10,000**

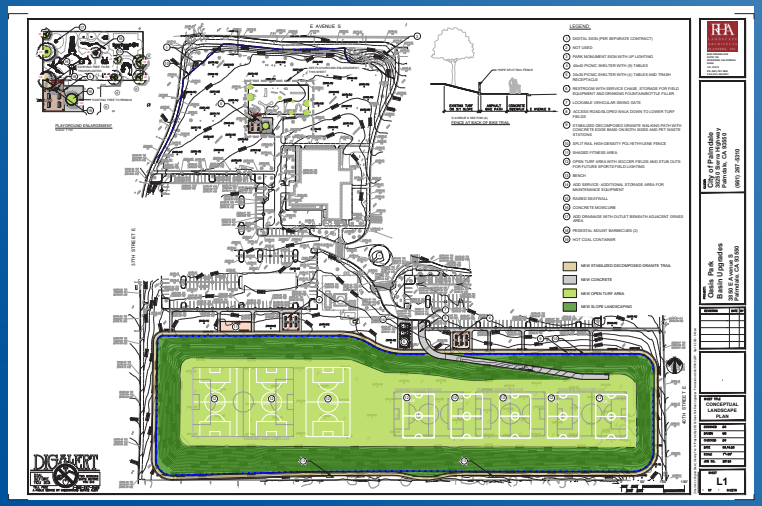
Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-004

Palmdale Oasis Park *Improvements*

Project proposes to renovate Oasis Park to include, but not limited to, a new multipurpose sports field, fencing, trail, public art, exercise equipment, restroom for the playfields, stubbing out for sports field lighting, and drainage improvements. The design is anticipated to be completed by spring 2026. Staff is seeking construction funding.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure AV Fund	$2,500					$2,500
Drainage Fund	$881					$881
Total	**$3,381**					**$3,381**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-005

McAdam Garden *Improvements* & Cultural Art *Installations*

Project proposes to construct a new garden area (about 54,000 sq. ft) between pool and tennis/pickleball courts, remove and install new landscaping, benches and seating areas, and cultural art pieces.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure AV Fund	$150					**$150**
Park Development Fund	$75					**$75**
Public Art Fund	$75					**$75**
Total	**$300**					**$300**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-006

Arnie Quinones Park *Improvements*

Project proposes constructing and expanding 7.5 acres of the undeveloped portion of Arnie Quinones Park located along 50th Street West, north of Avenue N-8, The proposed project includes, but is not limited to, walking paths, sports courts, open playing field, safety lighting, restrooms, a playground, dog park, covered picnic areas, a challenge course, irrigation, utilies, fencing, and public art. Planning and design is anticipated to begin Summer 2026. Staff is currently seeking grant funding to supplement design cost and constuction.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Park Development Fund	$300					$300
TBD				$6,000		$6,000
Total	**$300**			**$6,000**		**$6,300**

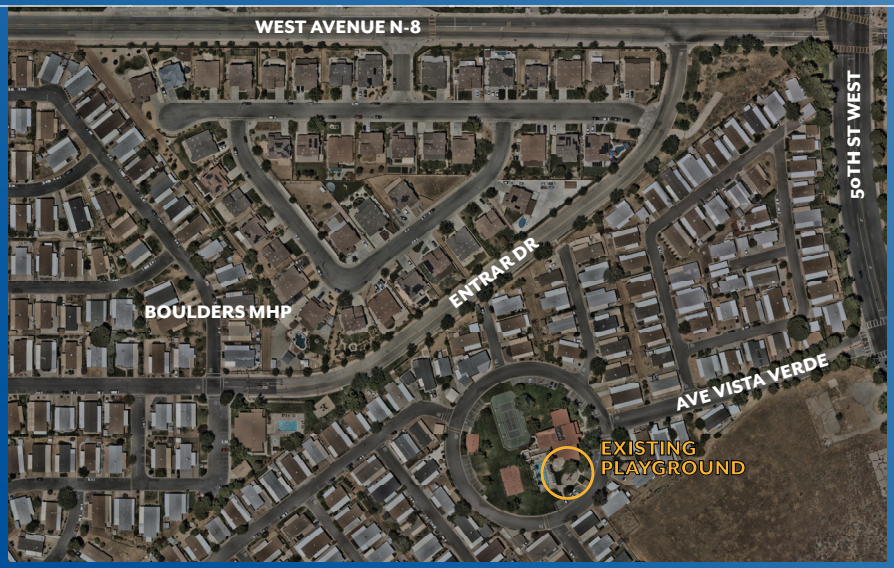
Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-007

ADA Playground at Boulders Mobile Home Park II

Project proposes site work and installation of ADA playground slated to be completed by spring 2026.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
CDBG Fund	$500					$500
Total	**$500**					**$500**

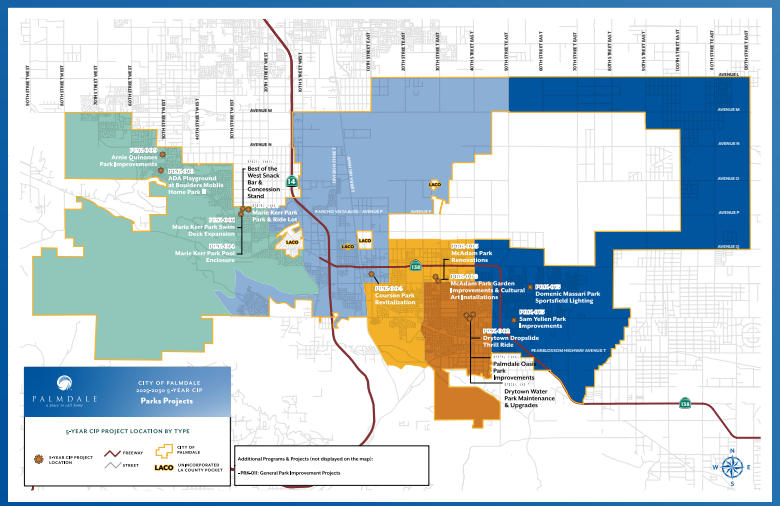
Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-008

General Park *Improvement Projects*

Provide ongoing upgrades and improvements to existing parks. Work would involve upkeep of landscape, pathways, playgrounds, signage, sportsfields, perimeter security, courts/skate parks, and facilities.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure AV Fund	$1,322					**$1,322**
Total	**$1,322**					**$1,322**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-009

DryTown Water Park *Maintenance & Upgrades*

General maintenance at DryTown Water Park, to include but not limited to, replacement of exterior pathway light fixture and bulb, Tower A splash pool plaster, Tower B mechanical replacement, installing public address system, and main restroom building renovation. Additional improvements such as main kitchen renovation, lazy river plaster replacement, bridge repair, and Tower B UV filtration components are also slated as future projects.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
DryTown Water Park Fund	$597					**$597**
TBD	$300	$300	$300	$300	$300	**$1,500**
Total	**$897**	**$300**	**$300**	**$300**	**$300**	**$2,097**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-010

Sam Yellen Park *Improvements*

Proposed future projects at Yellen Park are to develop the unimproved area adjacent to the futsal courts as a new multipurpose field and/or maintenance building.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Public Art Fund	$39					**$39**
Measure AV Fund	$1,291					**$1,291**
Total	**$1,330**					**$1,330**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-011

Marie Kerr Park *Pool Enclosure*

Phase II proposes to complete construction of an enclosure for the associated new mechanical equipment.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure AV Fund	$702					**$702**
Total	**$702**					**$702**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-012

Desert Sands *Baseball Field Improvement*

Improve the current ball fields for local Little League with benches, bleachers, water fountains, and restroom facilities. The project will provide more leisure choices for children and their families.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Park Measure A Fund	$1,530					**$1,530**
Total	**$1,530**					**$1,530**

Five-Year **Capital Improvement Plan**

Parks & Recreation Projects

PRK-013

Domenic Massari Park *Sportsfield Lighting*

Upgrade Domenic Massari Park sports field lighting with new LED field lighting.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Park Measure A Fund	$1,530					**$1,530**
Total	**$1,530**					**$1,530**

CITY OF PALMDALE

Streets



Streets *Projects*

Five-Year Funding Summary
Projected Budget Totals 2026-2031
(all figures below in thousands of dollars)

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total Budget*
CDBG Fund	$1,000	$—	$—	$—	$—	**$1,000**
Developers Contribution Fund	$742	$—	$—	$—	$9,258	**$10,000**
Federal Grant Fund	$8,911	$—	$2,000	$—	$—	**$10,911**
Gas Tax Fund	$10,414	$6,300	$10,000	$6,500	$5,000	**$38,214**
Measure M Grant Fund	$6,615	$—	$—	$—	$—	**$6,615**
Measure M Local Return Fund	$9,000	$—	$400	$400	$—	**$9,800**
Measure R Grant Fund	$19,443	$1,357	$—	$—	$—	**$20,800**
Measure R Local Return Fund	$1,255	$6,106	$—	$—	$—	**$7,361**
Drainage Fund	$2,059	$—	$—	$—	$—	**$2,059**
Prop A Local Return Fund	$584	$—	$—	$—	$—	**$584**
Prop C Grant Fund	$2,880	$—	$—	$—	$—	**$2,880**
Prop C Local Return Fund	$13,553	$15,000	$11,000	$11,000	$15,662	**$66,215**
RAISE Grant Fund	$23,000	$—	$25,000	$25,000	$—	**$73,000**
SB1 Fund	$15,227	$9,513	$25,600	$17,650	$10,662	**$78,652**
Sewer MaintenanceFund	$2,900	$—	$—	$—	$—	**$2,900**
Sewer Upgrade Fund	$422	$—	$—	$—	$—	**$422**
TDA Article 8 Fund	$—	$—	$—	$—	$—	**$—**
Total	**$118,005**	**$38,276**	**$74,000**	**$60,550**	**$40,582**	**$331,413**

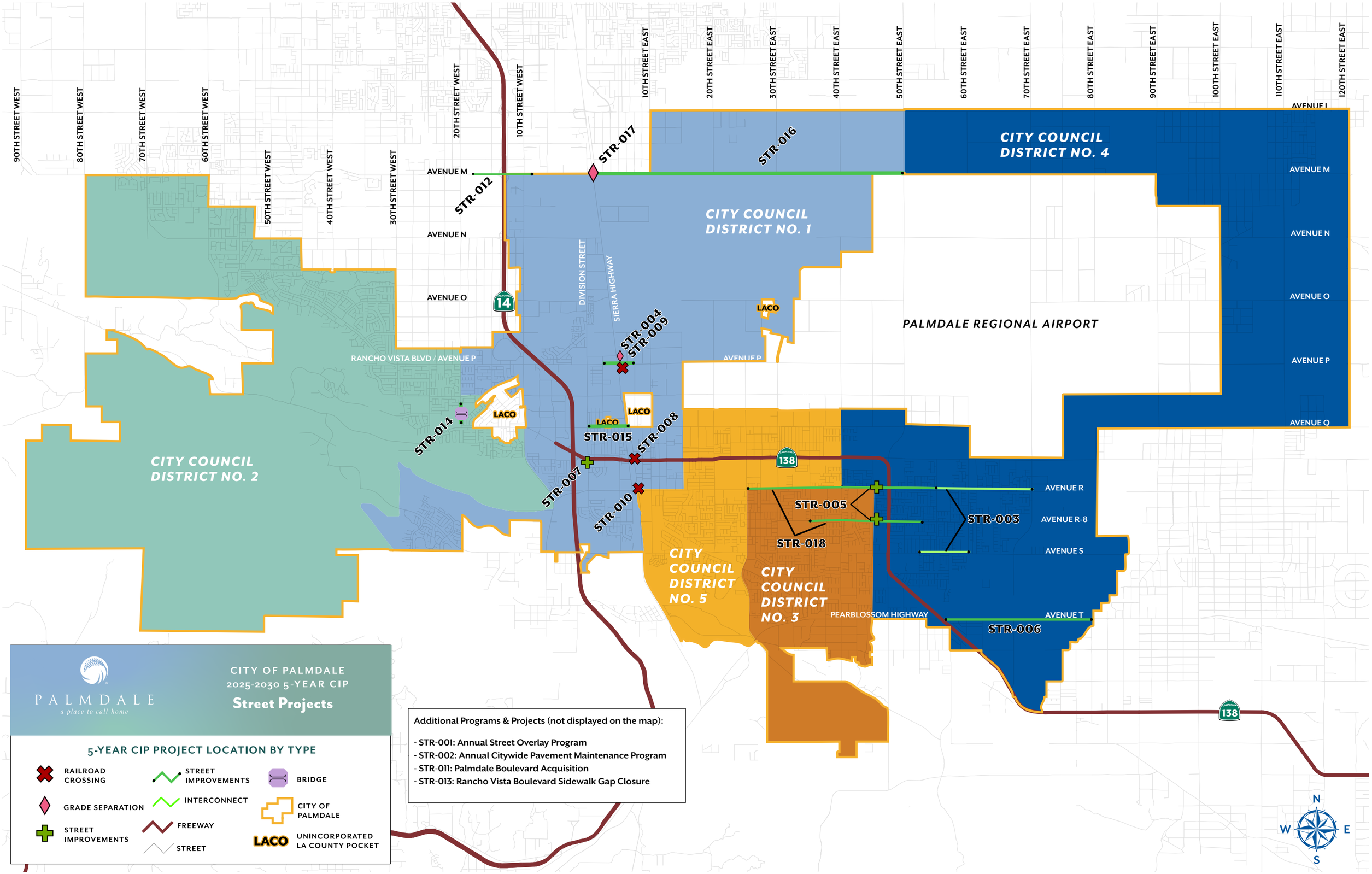
* The amount shown is a preliminary estimated budget for the anticipated total cost of the projects and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

Streets Project List

FIVE YEAR CIP PROJECT #		COUNCIL DISTRICT	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	TOTAL PROJECT BUDGET (IN THOUSANDS)
STR-001	Annual Street Overlay Program	1-5	$9,597	$11,000	$11,000	$11,000	$10,000	$52,597
STR-002	Annual Citywide Pavement Maintenance Program	1-5	$15,000	$15,000	$15,000	$15,000	$3,000	$63,000
STR-003	Avenue R ITS Signal Synchonization	4	$3,464	$—	$—	$—	$—	$3,464
STR-004	Rancho Vista Boulevard Grade Separation Ph II	1	$10,000	$10,000	$25,000	$25,000	$5,000	$75,000
STR-005	45th Street East Improvements	3-4	$9,000	$2,381	$—	$—	$—	$11,381
STR-006	Avenue T Street Improvements (Design & Environmental)	4	$750	$5,000	$15,000	$10,000	$—	$30,750
STR-007	Division St realignment & Palmdale Blvd Intersection Improvement Project	1	$750	$5,000	$5,000	$1,250	$—	$12,000
STR-008	SR138 Palmdale Blvd 5th-10th Street Improvement and Railroad Crossing Safety	1	$2,000	$18,800	$—	$—	$—	$20,800
STR-009	Rancho Vista Boulevard/Sierra Hwy Railroad Safety Crossing	1	$3,634	$—	$—	$—	$—	$3,634
STR-010	Avenue R/Sierra Hwy Railroad Safety Crossing	1	$—	$—	$2,777	$—	$—	$2,777
STR-011	Palmdale Boulevard Acquisition	1	$800	$1,000	$5,000	$1,500	$—	$8,300
STR-012	Avenue M Interchange Improvements	1	$6,870	$—	$—	$—	$—	$6,870
STR-013	Rancho Vista Boulevard Sidewalk Gap Closure	1-5	$750	$750	$—	$—	$—	$1,500
STR-014	20th Street West Bridge	1	$700	$—	$—	$—	$9,300	$10,000
STR-015	Avenue Q Complete Streets and Crossing	1	$1,000	$500	$—	$—	$—	$1,500
STR-016	Avenue M Corridor (Sierra Hwy to 50th St East)	1	$1,500	$300	$—	$—	$—	$1,800
STR-017	Avenue M Grade Separation	1	$2,500	$—	$—	$—	$—	$2,500
STR-018	Avenue R & R-8 Street Improvement	2,3,5	$23,540	$—	$—	$—	$—	$23,540
		TOTAL	**$91,855**	**$69,731**	**$78,777**	**$63,750**	**$27,300**	**$331,413**

Streets Expenditures

Project No.	Project Name	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
STR-001	ANNUAL STREET OVERLAY PROGRAM	$9,597	$11,000	$11,000	$11,000	$10,000
STR-002	CITYWIDE ANNUAL PAVEMENT MAINTENANCE PROGRAM (CAPM)	$15,000	$15,000	$15,000	$15,000	$3,000
STR-003	AVENUE R ITS SIGNAL SYNCHRONIZATION	$3,464	$—	$—	$—	$—
STR-004	RANCHO VISTA BOULEVARD GRADE SEPARATION	$10,000	$10,000	$25,000	$25,000	$5,000
STR-005	45TH STREET EAST IMPROVEMENTS	$9,000	$2,381	$—	$—	$—
STR-006	AVENUE T STREET IMPROVEMENTS (DESIGN AND ENVIRONMENTAL)	$750	$5,000	$15,000	$10,000	$—
STR-007	DIVISION ST REALIGNMENT & PALMDALE BLVD INTERSECTION IMPROVEMENT SECTION	$750	$5,000	$5,000	$1,250	$—
STR-008	SR138 PALMDALE BOULEVARD 5TH - 10TH STREET IMPROVEMENTS & RR CROSSING SAFETY	$2,000	$18,800	$—	$—	$—
STR-009	RANCHO VISTA BOULEVARD / SIERRA HWY RR CROSSING	$3,634	$—	$—	$—	$—
STR-010	AVENUE R / SIERRA HWY RAILROAD SAFETY CROSSING	$—	$—	$2,777	$-	$—
STR-011	PALMDALE BOULEVARD ACQUISITION	$800	$1,000	$5,000	$1,500	$—
STR-012	AVENUE M INTERCHANGE IMPROVEMENTS	$6,870	$—	$—	$—	$—
STR-013	RANCHO VISTA BLVD ADA IMPROVEMENTS & SIDEWALK GAP CLOSURE	$750	$750	$—	$—	$—
STR-014	20TH STREET WEST BRIDGE	$700	$—	$—	$—	$9,300
STR-015	AVENUE Q COMPLETE STREET AND CROSSING	$1,000	$500	$—	$—	$—
STR-016	AVENUE M CORRIDOR	$1,500	$300	$—	$—	$—
STR-017	AVENUE M GRADE SEPARATION	$2,500	$—	$—	$—	$—
STR-018	AVENUE R & R-8 STREET IMPROVEMENT	$23,540	$—	$—	$—	$—
		$91,855	**$69,731**	**$78,777**	**$63,750**	**$27,300**



PALMDALE
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CITY OF PALMDALE
2025-2030 5-YEAR CIP

Street Projects

5-YEAR CIP PROJECT LOCATION BY TYPE

- RAILROAD CROSSING
- GRADE SEPARATION
- STREET IMPROVEMENTS
- STREET IMPROVEMENTS
- INTERCONNECT
- FREEWAY
- STREET
- BRIDGE
- CITY OF PALMDALE
- LACO — UNINCORPORATED LA COUNTY POCKET

Additional Programs & Projects (not displayed on the map):

- STR-001: Annual Street Overlay Program
- STR-002: Annual Citywide Pavement Maintenance Program
- STR-011: Palmdale Boulevard Acquisition
- STR-013: Rancho Vista Boulevard Sidewalk Gap Closure

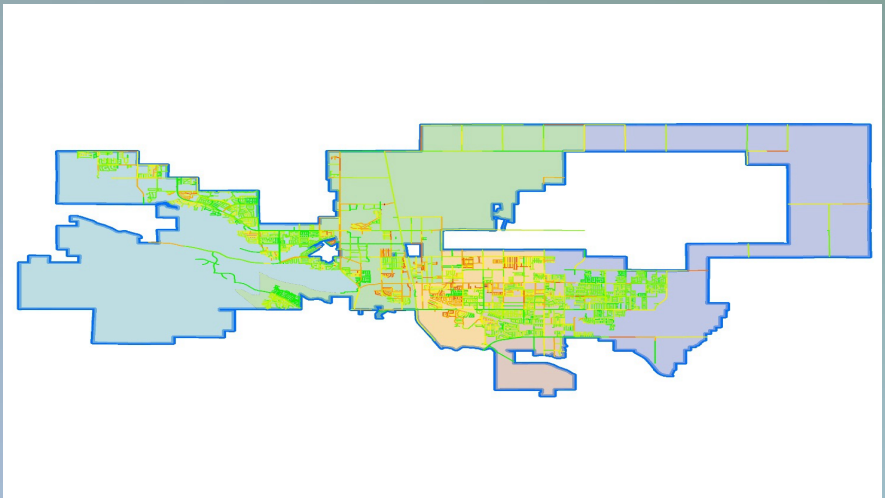
Five-Year **Capital Improvement Plan**

Streets Projects

STR-001

Annual Street *Overlay Program*

The application of asphalt pavement overlays on roadway to local streets to prolong the life of the existing asphalt pavement period. The Pavement Management System is utilized to prioritize streets to be included in the program.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Gas Tax Fund	$8,721	$5,000	$5,000	$5,000	$5,000	**$28,721**
Prop C Local Return Fund	$3,876	$5,000	$5,000	$5,000	$5,000	**$23,876**
TDA Article 8 Fund						
Total	**$12,597**	**$10,000**	**$10,000**	**$10,000**	**$10,000**	**$52,597**

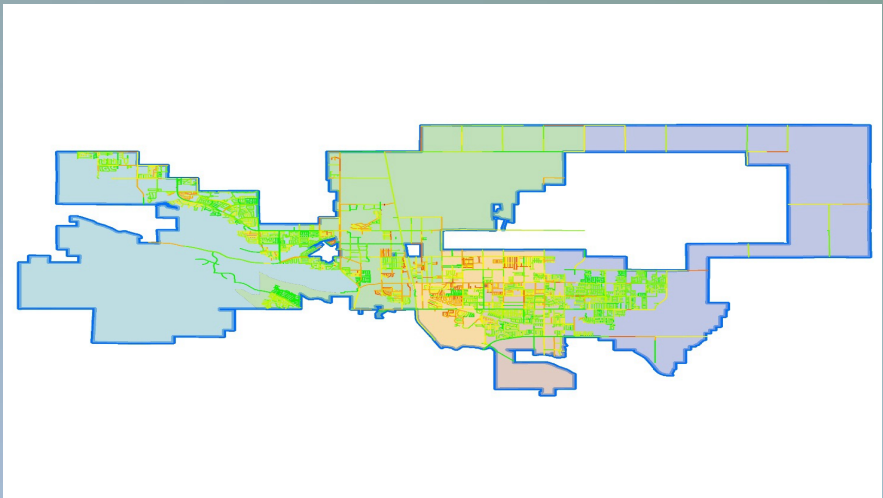
Five-Year **Capital Improvement Plan**

Streets Projects

STR-002

Annual Citywide Pavement *Maintenance Program*

Providing all necessary pavement engineering services to create and update the City's Pavement Management System (PMS). This includes, but is not limited to, evaluating the condition of City streets and alleys, updating PMS software and graphical information systems (GIS) products, evaluating street maintenance and repair techniques, integrating data into new PMS software and developing a street maintenance capital improvement plan.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Prop C Local Return Fund	$3,876	$6,000	$6,000	$6,000	$10,662	**$32,538**
Road Maintenance & Rehabilitation Act Fund (SB1)	$1,800	$6,000	$6,000	$6,000	$10,662	**$30,462**
Total	**$5,676**	**$12,000**	**$12,000**	**$12,000**	**$21,324**	**$63,000**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-003

Avenue R ITS Signal *Synchonization*

The project is the expansion of ITS infrastructure, which includes the extension of the existing fiber optic line along Avenue R and construction of traffic signals and installation of CCTVs.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Prop A Local Return Fund	$584					**$584**
Prop C Grant Fund	$2,880					**$2,880**
Total	**$3,464**					**$3,464**

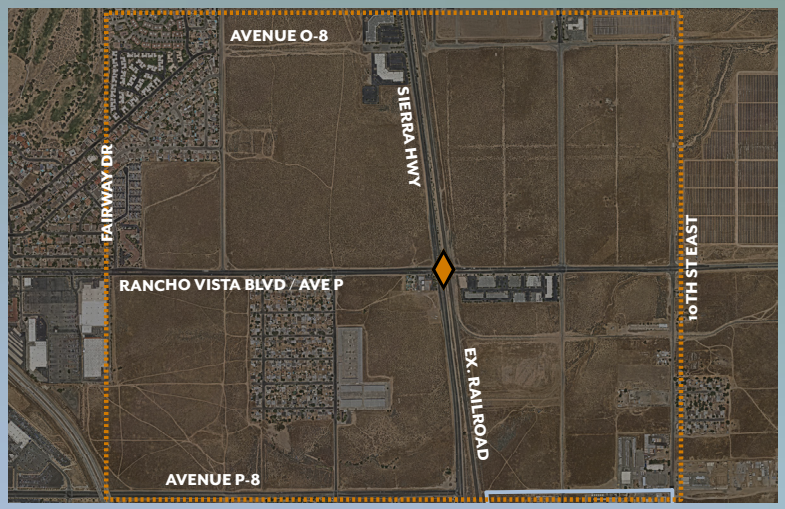
Five-Year **Capital Improvement Plan**

Streets Projects

STR-004

Rancho Vista Boulevard *Grade Separation Phase II*

Construct a railroad grade separation of Rancho Vista Boulevard at both Sierra Highway and the double-track at-grade crossing of the Southern California Regional Rail Authority (SCRRA), Metrolink and Union Pacific Railroad (UPRR) tracks. The project extends easterly on Rancho Vista Boulevard from Fairway Drive to 10th Street East and southerly on Sierra Highway from approximately 400 feet north of East Avenue O-8 to Avenue P-8.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
RAISE Grant Fund	$23,000		$25,000	$25,000		**$73,000**
Measure R Local Return Fund	$500	$106				**$606**
Gas Tax Fund	$693					**$693**
Prop C Local Return Fund	$701					**$701**
Total	**$24,894**	**$106**	**$25,000**	**$25,000**		**$75,000**

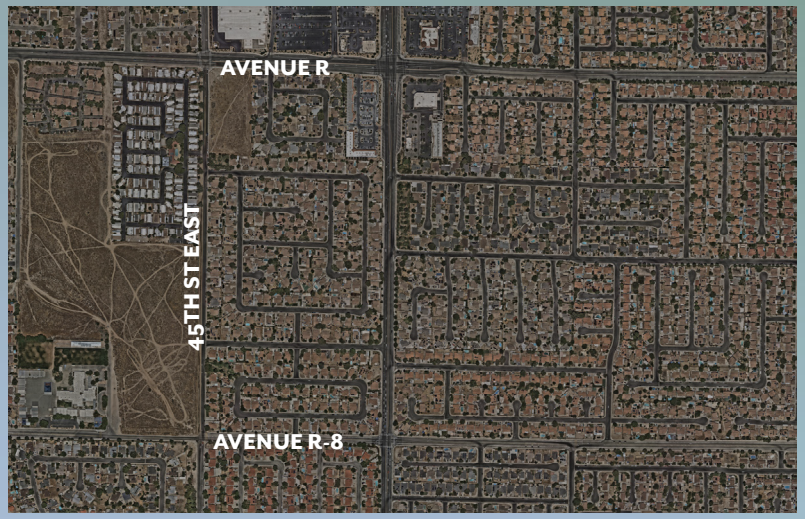
Five-Year **Capital Improvement Plan**

Streets Projects

STR-005

45th Street East *Improvements*

Design gap closure along East Avenue R and Avenue R-8 to mitigate the surface flow of storm water on 45th Street East.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Total
Measure M Local Return Fund	$6,000					**$6,000**
Drainage Fund	$2,059					**$2,059**
Sewer Upgrade Fund	$422					**$422**
Sewer Maintenance Fund	$2,900					**$2,900**
Total	**$11,381**					**$11,381**

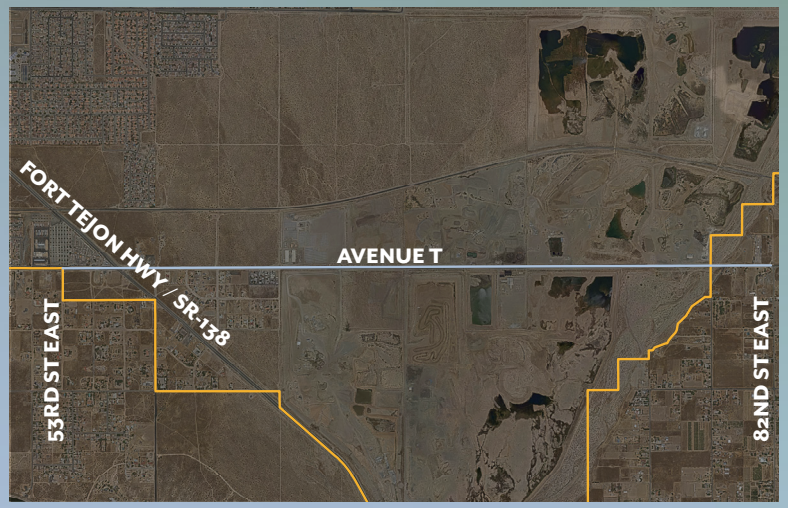
Five-Year **Capital Improvement Plan**

Streets Projects

STR-006

Avenue T Street Improvements *(Design & Environmental)*

Complete removal and replacement of the street section on Avenue T from Fort Tejon (SR 138) to 82nd Street East, including minor drainage improvements and signal upgrades at the intersection.



PROJECTED BUDGET

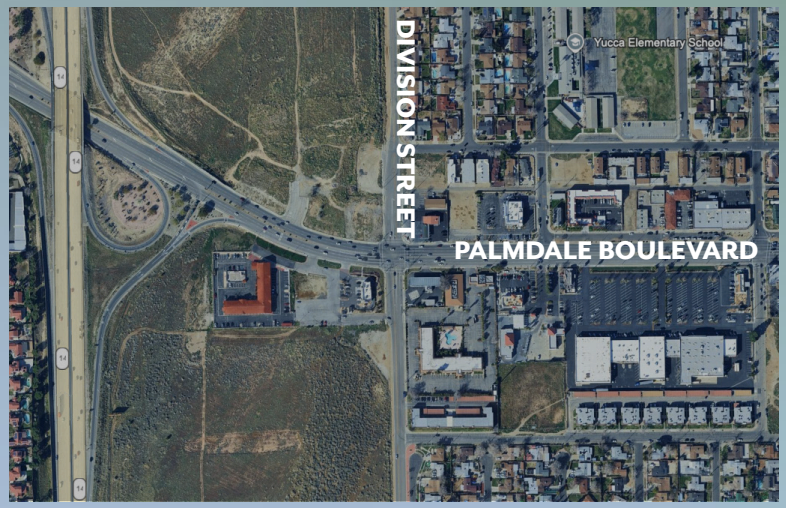
All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Total
SBI Fund	$2,450		$14,600	$10,400		**$27,450**
Measure M Local Return Fund	$2,500		$400	$400		**$3,300**
Total	**$4,950**		**$15,000**	**$10,800**		**$30,750**

STR-007

Division Street Realignment and Palmdale Boulevard Intersection *Improvement Project*

To improve the intersection of Palmdale Blvd. and Division Street traffic signal to optimize turning movements, reduce congestion, and facilitate pedestrians to cross the intersection for large commercial developments in the area in the future. The project will also realign Division Street north of Palmdale Blvd for ingress/egress improvements.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
SB1 Fund	$2,237	$3,513	$5,000	$1,250		**$12,000**
Total	**$2,237**	**$3,513**	**$5,000**	**$1,250**		**$12,000**

Five-Year **Capital Improvement Plan**

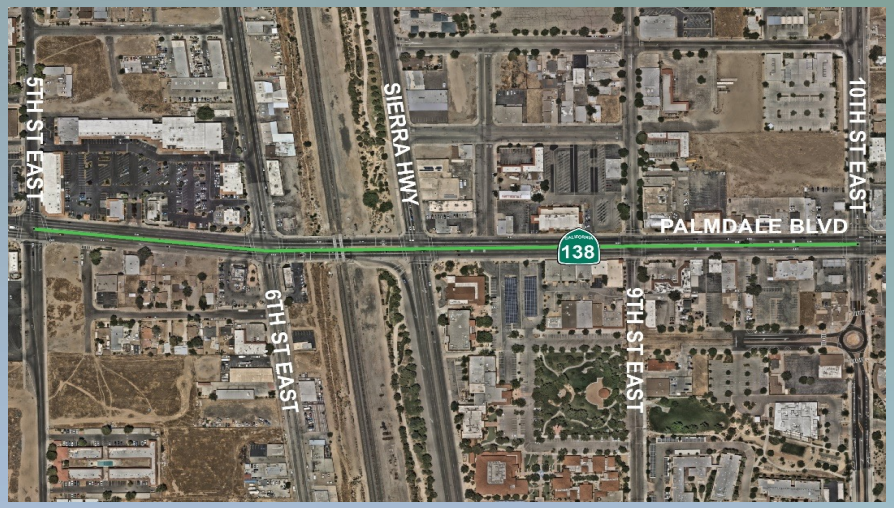
Streets Projects

STR-008

SR 138 Palmdale Boulevard *5th-10th Street Improvement and Railroad Crossing Safety*

Phase 1 - construct interim improvements between 6th Street East and 9th Street East along SR 138 (Palmdale Blvd) that will include roadway improvements and improvements to the at-grade railroad crossing.

Phase 2 - complete the remainder of the improvements, as described in the approved Project Report, between 5th Street East and 10th Street East along SR 138 (Palmdale Blvd) between Avenue Q and Avenue R along Sierra Highway.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure R Grant Fund	$19,443	$1,357				**$20,800**
Total	**$19,443**	**$1,357**				**$20,800**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-009

Rancho Vista Boulevard Sierra Hwy Railroad *Safety Crossing*

This project will provide for the upgrade of the existing railway system at the intersection of Rancho Vista Boulevard and Sierra Highway. The California Public Utilities Commissions (CPUC) Rail Crossings and Engineering Branch has proposed safety improvements to the existing railway system that will be funded under the Railroad-Highway Grade Crossing Program (RHGCP), Section 130 funds.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Federal Grant Fund	$3,634					**$3,634**
Total	**$3,634**					**$3,634**

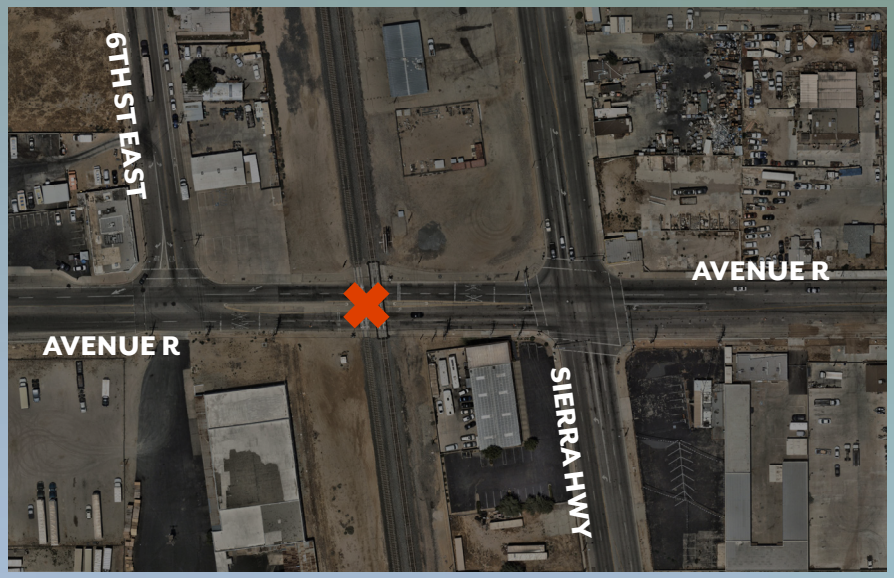
Five-Year **Capital Improvement Plan**

Streets Projects

STR-010

Avenue R Sierra Hwy Railroad *Safety Crossing*

The crossing consists of a four-lane, east-west oriented highway and two tracks including one SCRRA Valley Subdivision track and one UPRR Los Angeles Division. The roadway has a width of 56 feet and intersects with the track at a l 00-degree crossing angle. The pedestrian/bicycle sidewalk approach at the north quadrants has a width of 10 feet; there is no sidewalk approach at the south quadrants. The track surfacing consists of concrete panels with a width of 88 feet. The crossing is equipped with two CPUC Standard No. 9 automatic gate type warning devices.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Federal Grant Fund	$777		$2,000			**$2,777**
Total	**$777**		**$2,000**			**$2,777**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-011

Palmdale Boulevard *Acquisition*

Relinquishment of Palmdale Boulevard from Caltrans, to include upgrades to the existing roadway where it is currently substandard. Some funding would likely be secured from Caltrans.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Gas Tax Fund	$500	$1,300	$5,000	$1,500		**$8,300**
Total	**$500**	**$1,300**	**$5,000**	**$1,500**		**$8,300**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-012

Avenue M Interchange *Improvements*

The City continues to work through co-op agreements with the City of Lancaster and the County. This will be evaluated further as final design is confirmed and completed prior to construction. City of Lancaster has put this project on hold due to funding. City of Palmdale will contribute funds towards the project. Project includes public art in interchange roundabouts.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure M Grant Fund	$6,615					**$6,615**
Measure R Local Return Fund	$255					**$255**
Total	**$6,870**					**$6,870**

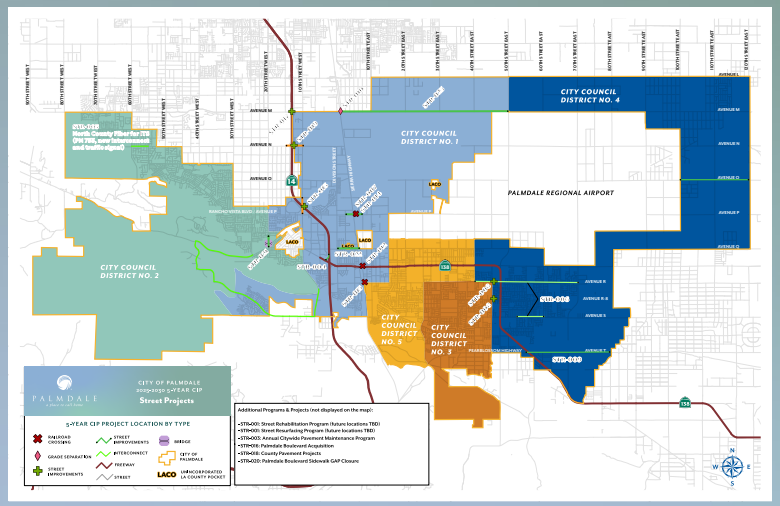
Five-Year **Capital Improvement Plan**

Streets Projects

STR-013

Rancho Vista Boulevard *Sidewalk Gap Closure*

Street improvements and sidewalk gap closure.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Gas Tax Fund	$500					**$500**
CDBG Fund	$1,000					**$1,000**
Total	**$1,500**					**$1,500**

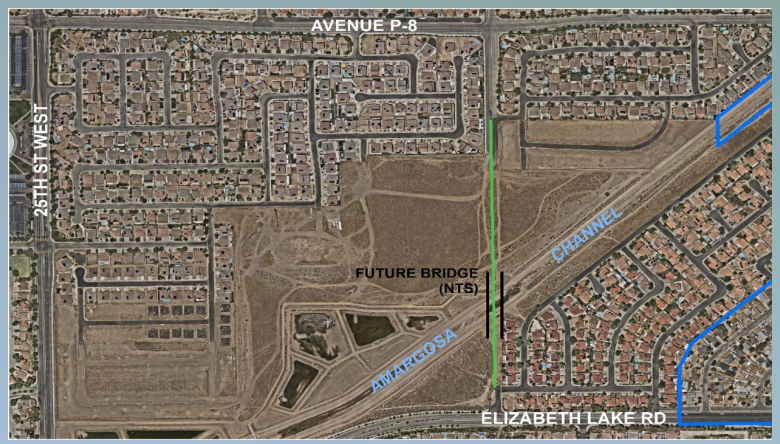
Five-Year **Capital Improvement Plan**

Streets Projects

STR-014

20th Street *West Bridge*

Improvements to 20th Street West bridge.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Developer Contribution	$742				$9,258	**$10,000**
Total	**$742**				**$9,258**	**$10,000**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-015

Avenue Q Complete Streets *and Crossing*

This project proposes a grade-separated road underpass at East Avenue Q, where it meets the Union Pacific and Metrolink rail lines, allowing uninterrupted east-west travel and enhancing safety. The project also includes traffic calming measures such as landscaped medians, curb extensions, raised crosswalks, and pedestrian refuge islands, all aimed at improving safety and visibility. The redesign will incorporate multimodal infrastructure, featuring continuous, protected bike lanes, ADA-compliant sidewalks, upgraded bus stops with shelters and seating, and increased street lighting to enhance safety conditions after dusk and in the early morning hours.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Federal Grant Fund	$1,000					**$1,000**
Measure R Local Return Fund	$500					**$500**
Total	**$1,500**					**$1,500**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-016

Avenue M Corridor *(Sierra Hwy to 50th East)*

The project includes much needed street infrastructure improvements to Avenue M; a primary access corridor serving US Air Force Plant 42. Avenue M is a designated regional arterial roadway/military access road and is currently heavily impacted by traffic congestion and has a poor level of service, especially during peak travel times. The project will improve the level of service, operations, and safety, ultimately benefiting US Air Force Plant 42 and the surrounding areas.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Federal Grant Fund	$1,500					**$1,500**
Prop C Local Return Fund	$300					**$300**
Total	**$1,500**					**$1,500**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-017

Avenue M
Grade Separation

A study will be conducted for the feasibility of a grade separation and preliminary engineering that can be used for a future grant application for the design and construction of a grade separation project.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure M Local Return Fund	$500					**$500**
Federal Grant Fund	$2,000					**$2,000**
Total	**$2,500**					**$2,500**

Five-Year **Capital Improvement Plan**

Streets Projects

STR-018

Avenue R & R-8 *Street Improvement*

Part of the Citywide Annual Pavement Maintenance Program (CAPM) Ave R and R-8 will have full-depth replacement along with ADA and Curb and Gutter improvements between 25th St and Tackstem Ave using SB1 funding as the overall strategy to improve the City's PCI scores.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
SB1 Fund	$8,740					**$8,740**
Prop C Local Return Fund	$4,800	$4,000				**$8,800**
Measure R Local Return Fund		$6,000				**$6,000**
Total	**$13,270**	**$10,000**				**$23,540**

CITY OF PALMDALE

Traffic



Traffic *Projects*

Five-Year Funding Summary
Projected Budget Totals 2026-2031
(all figures below in thousands of dollars)

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total Budget*
Federal Grant Fund	$5,782	$—	$—	$—	$—	**$5,782**
Measure R Local Fund	$627	$—	$—	$—	$—	**$627**
SB1 Fund	$3,387	$350	$—	$—	$—	**$3,737**
Traffic Impact Fund	$100	$300	$—	$—	$—	**$400**
TBD	$—	$—	$1,500	$2,150	$2,000	**$5,650**
Total	**$9,896**	**$650**	**$1,500**	**$2,150**	**$2,000**	**$16,196**

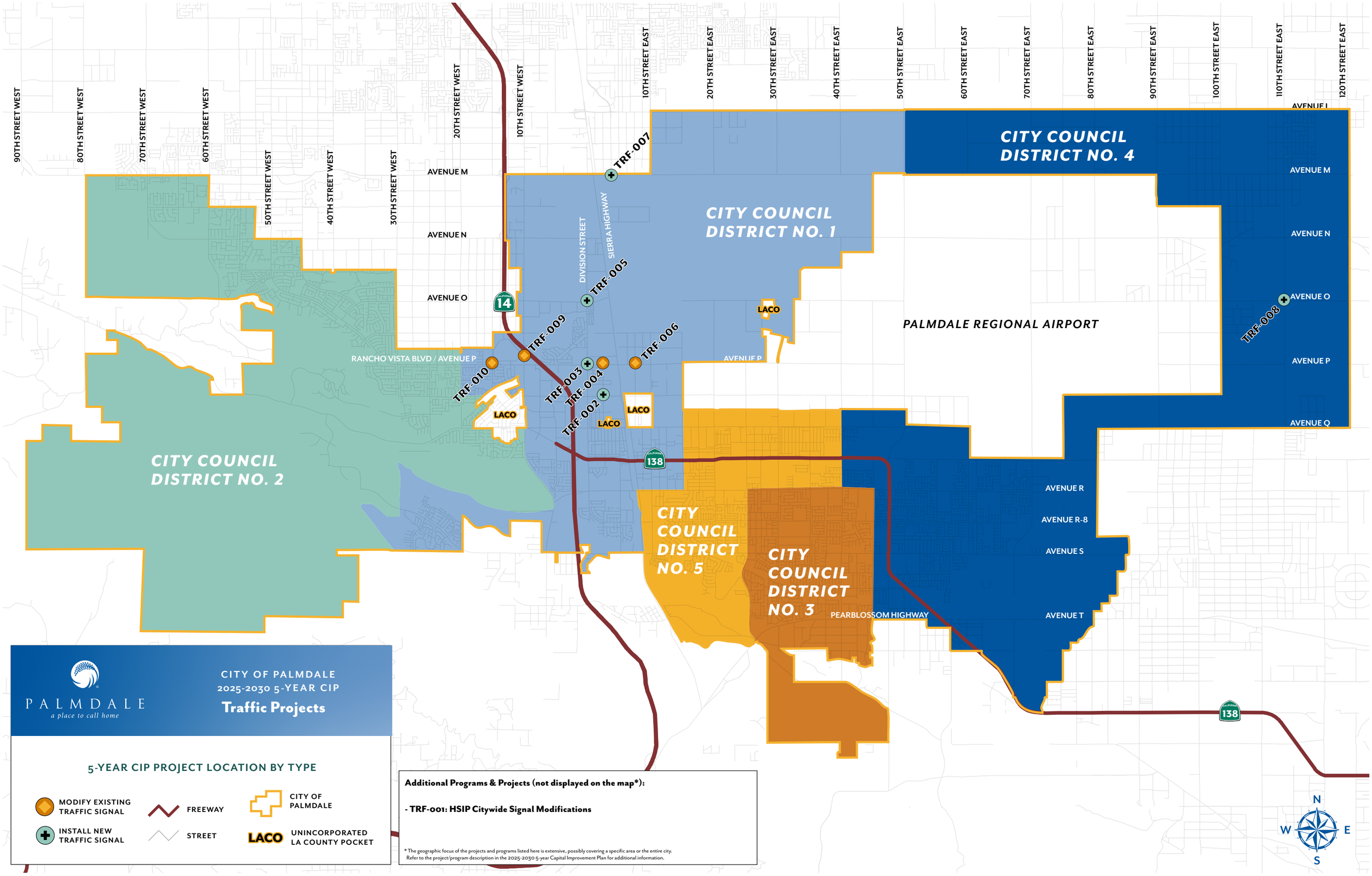
* The amount shown is a preliminary estimated budget for the anticipated total cost of the projects and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

Traffic Project List

FIVE YEAR CIP PROJECT #		COUNCIL DISTRICT	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	TOTAL PROJECT COSTS (IN THOUSANDS)
TRF-001	HSIP Citywide Signal Modifications	1-5	$6,409	$—	$—	$—	$—	$6,409
TRF-002	Traffic Signal - Technology Drive at 3rd Street East	1	$1,500	$—	$—	$—	$—	$1,500
TRF-003	Traffic Signal - Rancho Vista Blvd at Division St.	1	$—	$2,237	$—	$—	$—	$2,237
TRF-004	Traffic Signal - Left-turn Phasing (Rancho Vista Blvd at 3rd Street East)	1	$—	$—	$400	$—	$—	$400
TRF-005	Traffic Signal - Avenue O at Division Street	1	$—	$—	$—	$1,500	$—	$1,500
TRF-006	Traffic Signal - Rancho Vista Blvd at Lockheed Way	1	$—	$—	$750	$—	$—	$750
TRF-007	Traffic Signal - Avenue M at 4th Street East	1	$—	$—	$—	$—	$1,500	$1,500
TRF-008	Traffic Signal - Avenue O at 110th Street East to 120th Street East	4	$—	$—	$750	$—	$—	$750
TRF-009	Traffic Signal - 10th Street West at AV Mall Drive	1	$—	$—	$—	$650	$—	$650
TRF-010	Traffic Signal - Rancho Vista Blvd at 15th Street West	1	$—	$—	$—	$—	$500	$500
		TOTAL	**$7,909**	**$2,237**	**$1,900**	**$2,150**	**$2,000**	**$16,196**

Traffic Expenditures

Project No.	Project Name	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
TRF-001	HSIP CITYWIDE SIGNAL MODIFICATIONS	$6,409	$—	$—	$—	$—
TRF-002	TRAFFIC SIGNAL - TECHNOLOGY DRIVE AT 3RD STREET EAST	$1,500	$—	$—	$—	$—
TRF-003	TRAFFIC SIGNAL - RANCHO VISTA BLVD AT DIVISION ST.	$—	$2,237	$—	$—	$—
TRF-004	TRAFFIC SIGNAL - LEFT-TURN PHASING (RANCHO VISTA BLVD AT 3RD STREET EAST)	$—	$—	$400	$—	$—
TRF-005	TRAFFIC SIGNAL - AVENUE O AT DIVISION STREET	$—	$—	$-	$1,500	$—
TRF-006	TRAFFIC SIGNAL - RANCHO VISTA BLVD AT LOCKHEED WAY	$—	$—	$750	$—	$—
TRF-007	TRAFFIC SIGNAL - AVENUE M AT 4TH STREET EAST	$—	$—	$—	$—	$1,500
TRF-008	TRAFFIC SIGNAL - AVENUE O AT 110TH STREET EAST TO 120TH STREET EAST	$—	$—	$750	$—	$—
TRF-009	TRAFFIC SIGNAL - 10TH STREET WEST AT AV MALL DRIVE	$—	$—	$—	$650	$—
TRF-010	TRAFFIC SIGNAL - RANCHO VISTA BLVD AT 15TH STREET WEST	$—	$—	$—	$—	$500
		$7,909	**$2,237**	**$1,900**	**$2,150**	**$2,000**



PALMDALE
a place to call home

CITY OF PALMDALE
2025-2030 5-YEAR CIP

Traffic Projects

5-YEAR CIP PROJECT LOCATION BY TYPE

- MODIFY EXISTING TRAFFIC SIGNAL
- INSTALL NEW TRAFFIC SIGNAL
- FREEWAY
- STREET
- CITY OF PALMDALE
- LACO — UNINCORPORATED LA COUNTY POCKET

Additional Programs & Projects (not displayed on the map*):

- TRF-001: HSIP Citywide Signal Modifications

* The geographic focus of the projects and programs listed here is extensive, possibly covering a specific area or the entire city. Refer to the project/program description in the 2025-2030 5-year Capital Improvement Plan for additional information.

Five-Year **Capital Improvement Plan**

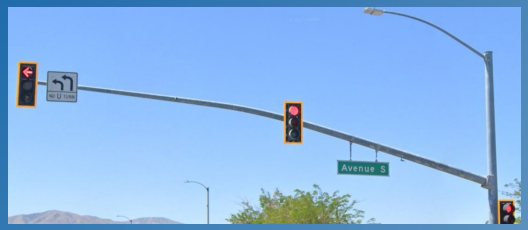
Traffic Projects

TRF-001

HSIP Citywide Signal *Modifications*

Upgrade signal head with current standard and replace pedestrain crosswalks and pedestrian push buttons.
Repair and replace wiring inside signal heads.







PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Federal Grant Fund	$5,782					**$5,782**
Measure R Local Fund	$627					**$627**
Total	**$6,409**					**$6,409**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-002

Traffic Signal: Technology Drive at 3rd Street East

Install four-way traffic signals to enhance safety and traffic operations of the intersection.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
RMRA (SB1) Fund	$1,150	$350				$1,500
Total	**$1,500**	**$350**				**$1,500**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-003

Traffic Signal: Rancho Vista Blvd & Division St.

Install four-way traffic signals to enhance safety and traffic operations of the intersection.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
RMRA (SBI) Fund	$2,237					$2,237
Total	**$2,237**					**$2,237**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-004

Traffic Signal: Left Turn Phasing (Rancho Vista Blvd at 3rd St East)

Add a left turn phase to westbound Rancho Vista Boulevard to enhance safety and traffic operations.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Traffic Impact Fund	$100	$300				**$400**
Total	**$100**	**$300**				**$400**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-005

Traffic Signal: Avenue O at Division Street

Install four-way traffic signals to enhance safety and traffic operations of the intersection.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD				$1,500		$1,500
Total				**$1,500**		**$1,500**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-006

Traffic Signal: Rancho Vista Blvd at Lockheed Way

Install four-way traffic signals to enhance safety and traffic operations of the intersection.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD			$750			$750
Total			**$750**			**$750**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-007

Traffic Signal: Avenue M at 4th Street East

Install three-way traffic signals to enhance safety and traffic operations of the intersection.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD					$1,500	$1,500
Total					**$1,500**	**$1,500**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-008

Traffic Signal: Avenue O at 110th St East to 120th St East

Installation of a new traffic signal and intersection roadway improvements.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD			$750			$750
Total			**$750**			**$750**

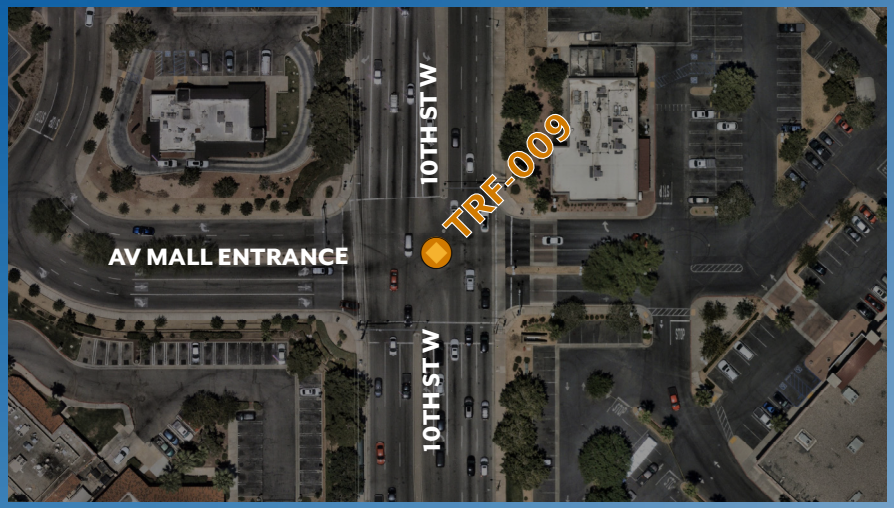
Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-009

Traffic Signal: 10th St West at AV Mall Drive

Modification of existing traffic signal and intersection roadway improvements.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD				$650		$650
Total				**$650**		**$650**

Five-Year **Capital Improvement Plan**

Traffic Projects

TRF-010

Traffic Signal: Rancho Vista Blvd at 15th St West

Modification of existing traffic signal and intersection roadway improvements.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
TBD					$500	$500
Total					**$500**	**$500**

CITY OF PALMDALE

Watershed *Resources*



Watershed *Resources*

Five-Year Funding Summary
Projected Budget Totals 2026-2031
(all figures below in thousands of dollars)

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total Budget*
Drainage Fund	$8,640	$23,242	$6,500	$5,500	$5,500	**$49,382**
Measure A Grant Fund	$—	$—	$—	$—	$—	**$—**
Measure M Local Return Fund	$7,659	$10,000	$10,000	$20,000	$18,341	**$66,000**
SB1 Fund	$—	$—	$—	$—	$—	**$—**
Sewer Maintenance Assessment Fund	$5,195	$10,705	$2,000	$2,000	$2,000	**$21,900**
Sewer Upgrade Fund	$421	$—	$—	$—	$—	**$421**
TBD	$—	$—	$—	$—	$—	**$—**
Total	**$21,915**	**$43,947**	**$18,500**	**$27,500**	**$25,841**	**$137,703**

CITY OF PALMDALE

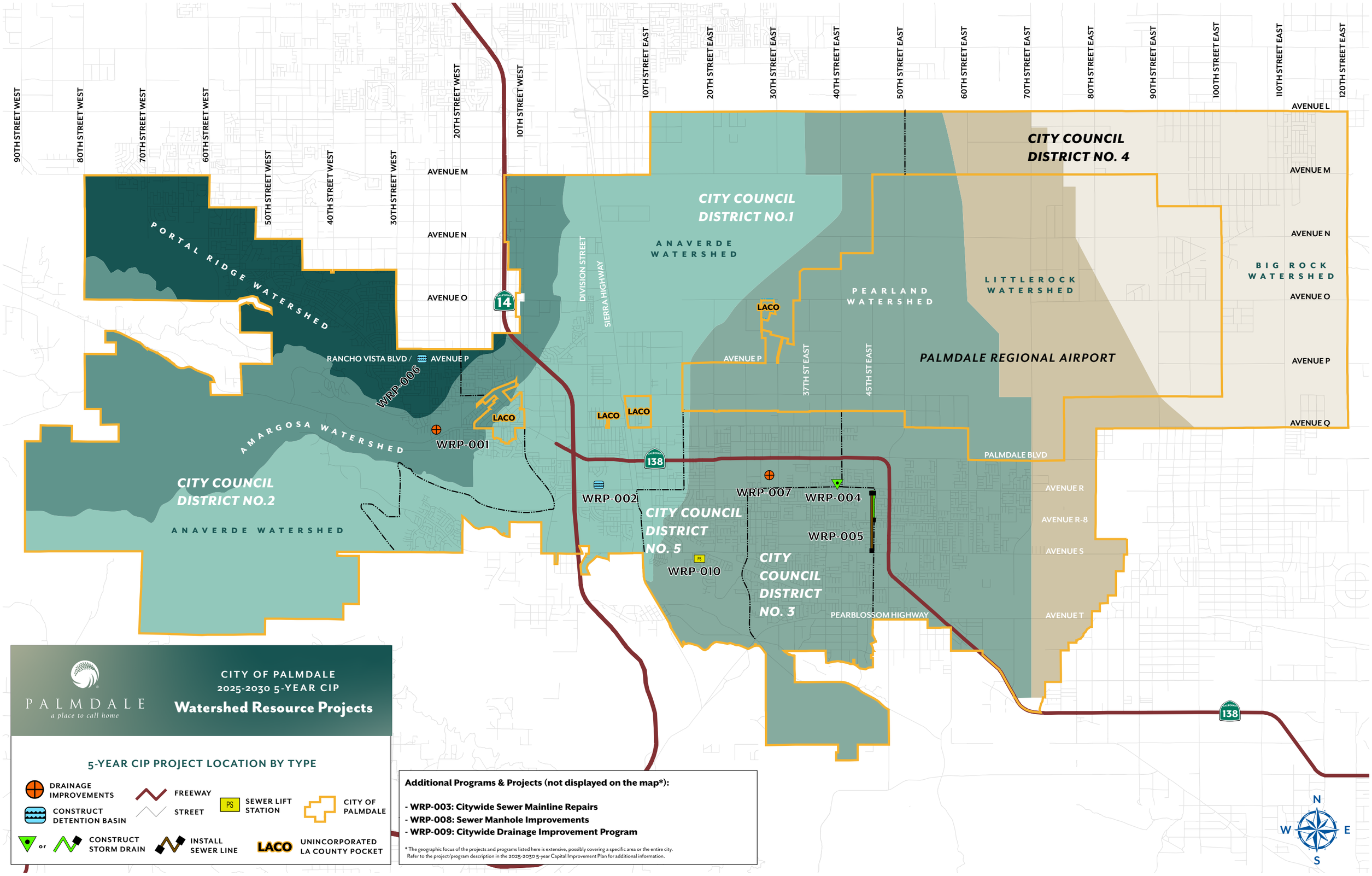
* The amount shown is a preliminary estimated budget for the anticipated total cost of the projects and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

Watershed Resources Project List

FIVE YEAR CIP PROJECT #		COUNCIL DISTRICT	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	TOTAL PROJECT COSTS (IN THOUSANDS)
WRP-001	Upper Amargosa Creek Recharge Basin/ Habitat Mitigation	2	$2,000	$1,000	$1,000	$822	$500	5,322
WRP-002	Avenue R Regional Basin Design and Construction	1	$20,000	$10,000	$10,000	$10,000	$10,000	60,000
WRP-003	Citywide Sewer Mainline Repairs	1-5	$1,000	$1,000	$1,000	$1,000	$1,000	5,000
WRP-004	40th St East/Ave R Storm Drain Improvements	4	$—	$5,000	$—	$—	$—	5,000
WRP-005	45th St East Sewer & Storm Drain Improvements	2	$8,000	$3,381	$—	$—	$—	11,381
WRP-006	Marie Kerr Park and Ride Lot - Drainage Basin	3	$—	$10,000	$2,000	$—	$—	12,000
WRP-007	McAdam Park Renovations - Utility Connections	5	$5,000	$2,000	$—	$—	$—	7,000
WRP-008	Sewer Manhole Improvements	1-5	$1,000	$1,000	$1,000	$1,000	$1,000	5,000
WRP-009	Citywide Drainage Improvement Program	1-5	$5,000	$5,000	$5,000	$5,000	$5,000	25,000
WRP-010	Sewer Lift Station Elimination Study	1-5	$—	$—	$—	$2,000	$—	2,000
		TOTAL	**$42,000**	**$38,381**	**$20,000**	**$19,822**	**$17,500**	**$137,703**

Watershed Resources Expenditures

Project No.	Project Name	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
WRP-001	UPPER AMARGOSA CREEK RECHARGE BASIN / HABITAT MITIGATION	$2,000	$1,000	$1,000	$822	$500
WRP-002	AVE R REGIONAL BASIN INFRASTRUCTURE	$20,000	$10,000	$10,000	$10,000	$10,000
WRP-003	CITYWIDE SEWER MAINLINE	$1,000	$1,000	$1,000	$1,000	$1,000
WRP-004	40TH E / AVE R STORM DRAIN	$—	$5,000	$—	$—	$—
WRP-005	45TH STREET SEWER & STORM DRAIN IMPROVEMENTS	$8,000	$3,381	$—	$—	$—
WRP-006	MARIE KERR PARK N RIDE LOT (DRAINAGE BASIN)	$—	$10,000	$2,000	$—	$—
WRP-007	MCADAM PARK RENOVATION / UTILITY CONNECTIONS	$5,000	$2,000	$—	$—	$—
WRP-008	SEWER MANHOLE IMPROVEMENTS	$1,000	$1,000	$1,000	$1,000	$1,000
WRP-009	CITYWIDE DRAINAGE IMPROVEMENT PROGRAM	$5,000	$5,000	$5,000	$5,000	$5,000
WRP-010	SEWER LIFT STATION ELMINATION STUDY	$—	$—	$—	$2,000	$—
		$42,000	**$38,381**	**$20,000**	**$19,822**	**$17,500**



PALMDALE
a place to call home

CITY OF PALMDALE
2025-2030 5-YEAR CIP

Watershed Resource Projects

5-YEAR CIP PROJECT LOCATION BY TYPE

- DRAINAGE IMPROVEMENTS
- CONSTRUCT DETENTION BASIN
- FREEWAY
- STREET
- SEWER LIFT STATION (PS)
- CITY OF PALMDALE
- CONSTRUCT STORM DRAIN (or)
- INSTALL SEWER LINE
- LACO — UNINCORPORATED LA COUNTY POCKET

Additional Programs & Projects (not displayed on the map*):

- **WRP-003: Citywide Sewer Mainline Repairs**
- **WRP-008: Sewer Manhole Improvements**
- **WRP-009: Citywide Drainage Improvement Program**

* The geographic focus of the projects and programs listed here is extensive, possibly covering a specific area or the entire city. Refer to the project/program description in the 2025-2030 5-year Capital Improvement Plan for additional information.

N W E S

Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-001

Upper Amargosa Creek Recharge Basin/ *Habitat Mitigation*

The project consists of planting, irrigation and erosion control to preserve the watershed area and will continue providing for environmental monitoring of the site for recharging of the aquifer and also provide for the mitigation and habitat restoration of the land as required by the State Water Resource Board.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Drainage Fund	3,322	$500	$500	$500	$500	5,322
Total	**3,322**	**$500**	**$500**	**$500**	**$500**	**5,322**

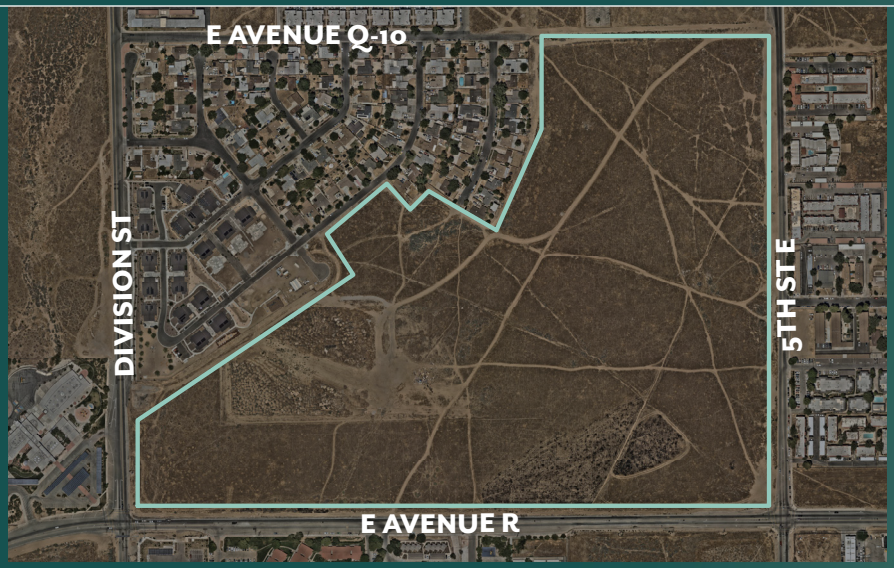
Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-002

Avenue R Regional Basin Design and *Construction*

Design and construction of a series of basins and overflow channels at Avenue R and Division Street.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Measure M Local Return Fund	$1,659	$10,000	$10,000	$20,000	$18,341	**$60,000**
Total	**$1,659**	**$10,000**	**$10,000**	**$20,000**	**$18,341**	**$60,000**

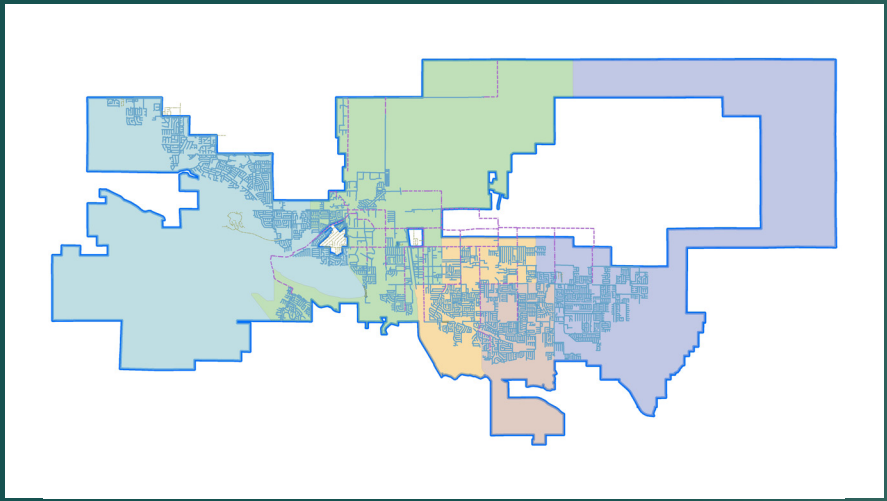
Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-003

Citywide Sewer Mainline *Repairs*

Miscellaneous sewer repairs throughout the City including but not limited to repair and replace linings, and spot repairs.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Sewer Maintenance Assessment Fund	$165	$1,835	$1,000	$1,000	$1,000	**5,000**
Total	**$165**	**$1,835**	**$1,000**	**$1,000**	**$1,000**	**5,000**

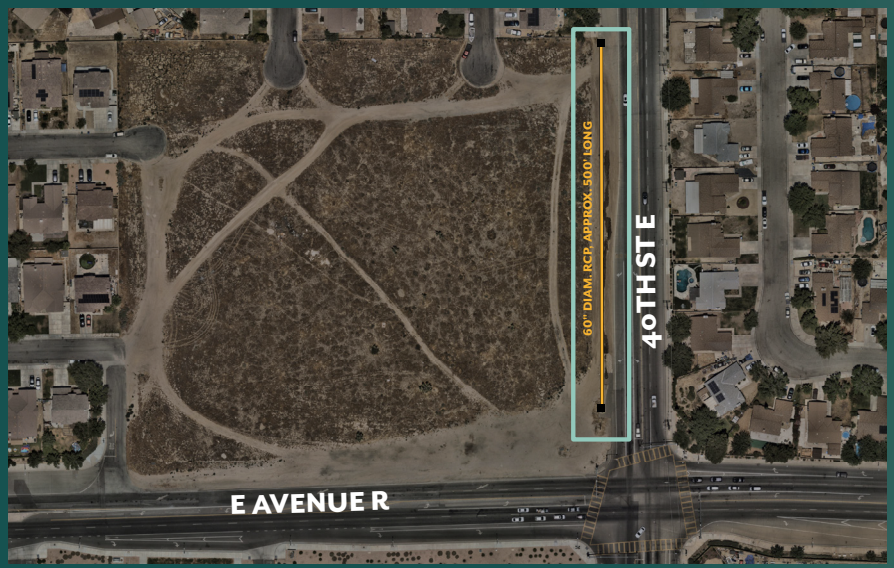
Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-004

40th St East/Ave R Storm Drain *Improvements*

This project will address the flooding at this intersection, extend the existing 60' diameter pipe northerly until stormwater can be released to the street instead of the dirt shoulder as it currently does.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Drainage Fund	$2,258	$2,742				**$5,000**
Total	**$2,258**	**$2,742**				**$5,000**

Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-005

45th St East Sewer & Storm Drain *Improvements*

Project proposes to contruct a new 18" relief trunk sewer along 45th Street between Avenue S and Avenue R to increase sewer capacity and provide a relief during peak flows in the area; construction of a new 78" RCP storm drain along 45th Street between Avenue R-8 and Avenue R; and street resurfacing full width between Avneue R and Avenue S.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Drainage Fund	$2,060					**$2,060**
Measure M Local Return	$6,000					**$6,000**
Sewer Maintenance Assessment	$2,900					**$2,900**
Sewer Upgrade Fund	$421					**$421**
Total	**$11,381**					**$11,381**

Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-006

Marie Kerr Park and Ride Lot - *Drainage Basin*

The project proposes constructing a new 20-acre park and ride located east of the Palmdale Amphitheater at Marie Kerr Park and a new bioretention basin. Construction is slated to begin Summer 2026.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Drainage Fund	$1,000	$10,000	$1,000			**$12,000**
Total	**$1,000**	**$10,000**	**$1,000**			**$12,000**

Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-007

McAdam Park Renovations - *Utility Connections*

Phase 1: Project proposes to renovate McAdam Park, including but not limited to, replacing the playground, replacing the existing restroom with a restroom and concession unit, replacing the maintenance storage building with a new structure, updating sports field lighting with new LED lighting, installing a new softball field with sports field lighting, expand the parking lot, resurfacing the existing parking lot and re-stripe, and installing a new park monument sign. Phase 1 is slated to begin construction spring 2026.

Phase 2: Project proposes repairing the Old Schoolhouse to include roof, wood siding, and upgrading hardscape surroundings. It will also include repairing and painting existing pavilions. Phase 2 is slated to begin construction by end of calendar year 2026.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Sewer Maintenance Assessment Fund	$200	$6,800				**$7,000**
Total	**$200**	**$6,800**				**$7,000**

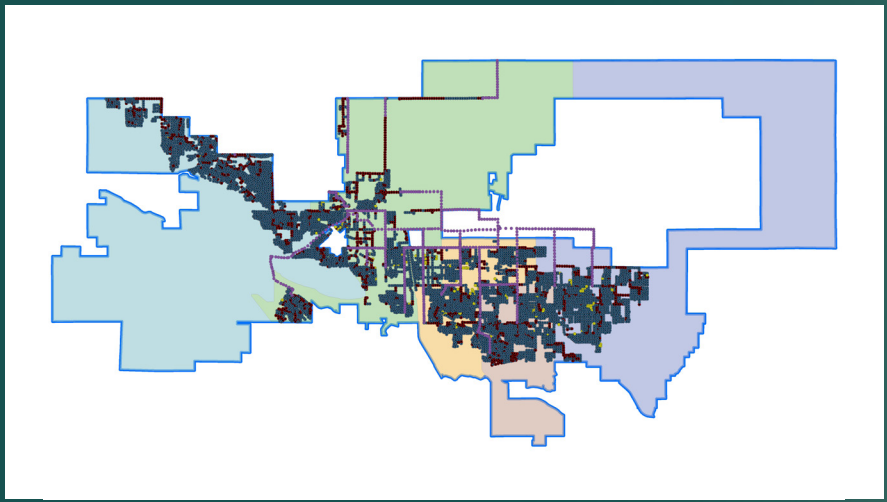
Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-008

Sewer Manhole *Improvements*

Repair and replace sewer manholes and collars as needed.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Sewer Maintenance Assessment Fund	$2,000	$1,000	$1,000	$1,000	$5,000	$5,000
Total	**$2,000**	**$1,000**	**$1,000**	**$1,000**	**$5,000**	**$5,000**

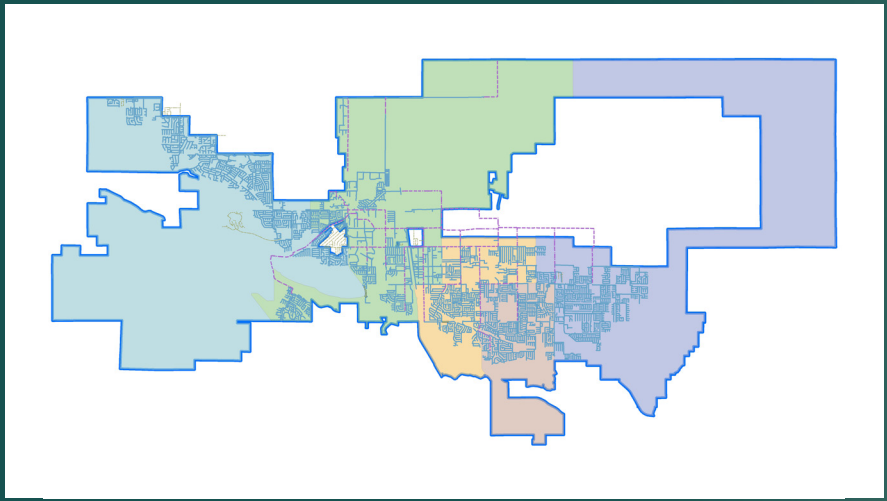
Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-009

Citywide Drainage *Improvement Program*

Improvements to drainage components across the city.



PROJECTED BUDGET

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Drainage Fund	$10,000	$5,000	$5,000	$5,000	$25,000	$25,000
Total	**$10,000**	**$5,000**	**$5,000**	**$5,000**	**$25,000**	**$25,000**

Five-Year **Capital Improvement Plan**

Watershed Resources Projects

WRP-010

Sewer Lift Station Elimination *Study*

Elimination of the sewer lift station along Avenue S at Casa Verde Drive.



PROJECT COST ESTIMATE

All figures below in thousands of dollars

Fund Source	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Estimated Total
Sewer Maintenance Assessment Fund	$1,930	$70				$2,000
Total	**$1,930**	**$70**				**$2,000**

CITY OF PALMDALE

Department of Public Works

38250 Sierra Highway
Palmdale, CA 93550

661-267-5300
cityofpalmdaleca.gov

PLANNING COMMISSION
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. PC-2025-021

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE, RECOMMENDING CITY COUNCIL APPROVAL OF THE PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROJECT PLAN FOR FISCAL YEARS 2025-2026 THROUGH 2029-2030, FINDING THAT THE PLAN IS CONSISTENT WITH THE GOALS, OBJECTIVES, AND POLICIES OF THE GENERAL PLAN AND STATE LAW, AND FINDING THAT THE PROJECT IS EXEMPT FROM ENVIRONMENTAL REVIEW

WHEREAS, The proposed Five-Year Capital Improvement Project (CIP) Plan as contemplated, proposes planned maintenance and improvement of public facilities for Fiscal Years (FY) 2025-2026 through 2029-2030*,* as set forth in Exhibit A; and,

WHEREAS*,* Government Code Section 65103(c) requires that the Planning Commission review the proposed Five-Year CIP Plan for consistency with the General Plan Palmdale 2045*;* and,

WHEREAS*,* On October 9, 2025, the Planning Commission of the City of Palmdale conducted a duly noticed public meeting on the application and concluded said meeting on that date; 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 the facts set forth in the Recitals of this Resolution are true and correct.

SECTION 2. The Planning Commission hereby finds as follows with respect to the California Environmental Quality Act (CEQA):

A Pursuant to the CEQA and the City's local CEQA Guidelines, City staff determined that the proposed consistency findings are not a project according to CEQA pursuant to Section 15378, of the CEQA Guidelines, the individual actions described in the proposed Five-Year CIP work plan are speculative, and the determination of conformance does not commit funding to any specific project. Therefore, the proposed action is not a "Project" as defined in Section 15378(b)(4) of the CEQA Guidelines, which states that: Project does not include the creation of government funding mechanisms, or other government fiscal activities, which do not involve any commitment to

any specific project, which may result in a potentially significant impact on the environment.

B The custodian of records for the materials which constitute the record of proceedings upon which the Planning Commission's decision is based, is the Planning Manager of the City of Palmdale. These documents are available for public review in the Planning Division of the City of Palmdale located at 38250 Sierra Highway, Palmdale, California 93550, telephone (661) 267-5200.

SECTION 3. Based upon substantial evidence presented to this Commission during the above-referenced October 9, 2025, public meeting, including public testimony, and written and oral staff report, this Commission specifically finds that the proposed Five-Year CIP Plan for FY 2025-2026 through FY 2029-2030, as set forth in Exhibit A is consistent with Government Code Section 65103(c) and Palmdale 2045 because it conforms to the goals, objectives, policies, and maps of all applicable elements of the General Plan.

SECTION 4. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 9th day of October, 2025.

Dean Henderson
Dean Henderson (Feb 12, 2026 12:34:00 PST)

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 9th day of October 2025, by the following roll call vote:

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

NOES: (0)

ABSTAIN: (0) ABSENT: (0)

Date: 1/29/2026

Sylvia Magallanes, Deputized Clerk

Successor Agency Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE CHAIR AND DIRECTORS**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. SA 2026-004, A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION BONDS TO REFUND OBLIGATIONS OF THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE, AND APPROVING RELATED DOCUMENTS AND ACTIONS**

RECOMMENDATION

Staff recommend that the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale:

1. Adopt Resolution No. SA 2026-004;
2. Authorize the issuance of Tax Allocation Refunding Bonds ("Refunding Bonds") to refund the existing 2016 Series A and Series B Tax Allocation Refunding Bonds;
3. Approve the attached documents to facilitate the issuance and sale of the Refunding Bonds:
    A. Indenture of Trust A-9841
    B. Bond Purchase Agreement A-9842; and,
4. Designate the financing team for the Refunding Bonds:
    A. Kosmont Financial Services as Municipal Advisor
    B. Best Best & Krieger LLP as Bond Counsel
    C. Raymond James as Underwriter, per the Bond Purchase Agreement.

BACKGROUND

On April 26, 2016 and June 23, 2016, the Successor Agency to the Community Redevelopment Agency to the City of Palmdale ("Agency") issued two sets of Tax Allocation Bonds, respectively 1) $31,490,000 Subordinate Tax Allocation Refunding Bonds, Series A (the "2016A Bonds") and 2) $41,645,000 Subordinate Tax Allocation

Refunding Bonds, Series B (the 2016 B Bonds, and together with the 2016 A Bonds, the 2016 Bonds). The 2016 Bonds were issued in a combined amount of $73,135,000, of which $38,080,000 is currently outstanding. Due to favorable market conditions, there is an opportunity to refinance the 2016 Bonds by issuing the Refunding Bonds in a manner financially beneficial to both the Agency and the City of Palmdale (City). The proposed Refunding Bonds would serve to refund both of the 2016 Bonds and refinance them in a manner such as to generate ongoing annual debt service savings for the City and affected taxing entities of the Agency, in compliance with AB 1484. Aggregate savings are estimated to be approximately $2.3 million over the life of the Refunding Bonds.

DISCUSSION

Refunding Savings

Based on interest rates from April 15, 2026, the 2016 Bonds could be refunded to generate approximately $2,281,000 in total savings or 5.23% of refunded par. Annual cashflow savings would average about $285,000 a year from 2027 through 2034. Actual savings will depend on market conditions at the time of pricing and the final rating on the Refunding Bonds. Debt service savings will increase the amount of "residual" property tax available to be redistributed to other affected taxing entities based on their proportionate share of the 1% property tax levy, including the City, County, and overlapping school and special districts.

Debt Service Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
9/1/2026	$ 5,857,950	$ 5,857,950	$ -	$ -	$ -
9/1/2027	6,874,150		6,874,150	6,589,622	284,528
9/1/2028	4,970,400		4,970,400	4,681,250	289,150
9/1/2029	4,928,650		4,928,650	4,647,000	281,650
9/1/2030	4,929,900		4,929,900	4,646,000	283,900
9/1/2031	4,731,650		4,731,650	4,446,250	285,400
9/1/2032	4,728,400		4,728,400	4,442,250	286,150
9/1/2033	4,770,400		4,770,400	4,489,250	281,150
9/1/2034	4,158,000		4,158,000	3,869,250	288,750
Total	**$45,949,500**	**$ 5,857,950**	**$40,091,550**	**$37,810,872**	**$2,280,678**

Legal Documents

The following necessary documents for the transaction have been prepared and are being submitted for approval by a resolution of the Successor Agency.

Successor Agency Resolution. This resolution authorizes the Refunding Bonds to be issued and establishes parameters for the terms thereof, approves the forms of and

authorizes the execution and delivery of the financing documents (including the Indenture of Trust and the Bond Purchase Agreement).

Indenture of Trust. The Indenture of Trust sets forth the terms of the Refunding Bonds, the security provisions, the covenants to the Refunding Bond owners, and provisions relating to the holding and distribution of funds to repay the Refunding Bonds.

Bond Purchase Agreement. The Bond Purchase Agreement specifies the purchase price of the Refunding Bonds to be paid by the underwriters, the interest rates, maturity dates and principal amounts of each maturity of the Refunding Bonds, the date, time and place of the closing of the Refunding Bonds, the allocation of the expenses incurred in connection with the Refunding Bonds, the parties' representations to and agreements with each other and the conditions to be satisfied before the underwriters become obligated to purchase the Refunding Bonds.

FISCAL IMPACT

There are no net costs associated with issuing the debt, and staff time is reimbursed through bond proceeds.

It is currently estimated that issuing Refunding Bonds will result in ongoing debt service savings in an aggregate amount of $2.3 million, or the equivalent of just under $2.0 million in present value savings to the Redevelopment Property Tax Trust Fund (RPTTF), which the City will share via an increase to the annual distribution of residual amounts in the RPTTF.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health and maintain funding for services;

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

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, Executive Director
Approved as to form:	Alexandra Severino, General Counsel

ATTACHMENTS

Reso. No. SA 2026-004
Agrmt A-9841 Indenture of Trust
Agrmt A-9842 Bond Purchase Agreement
Municipal Advisor Analysis

SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PALMDALE, CALIFORNIA

RESOLUTION NO. SA 2026-004

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION BONDS TO REFUND OBLIGATIONS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE, AND APPROVING RELATED DOCUMENTS AND ACTIONS.

WHEREAS, the Community Redevelopment Agency of the City of Palmdale (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), including the power to borrow funds and issue bonds; and

WHEREAS, on January 4, 2012, the City Council of the City of Palmdale (the "City Council") adopted Resolution No. CC 2012-002 declaring itself as the successor agency to the Agency (the "Successor Agency") upon the dissolution of the Former Agency;

WHEREAS, the powers, assets and obligations of the Former Agency were transferred on February 1, 2012 to the Successor Agency;

WHEREAS, the Successor Agency issued its $31,490,000 original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series A (the "2016A Bonds") and its $41,645,000 original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series B (the "2016B Bonds" and together with the 2016A Bonds, the "2016 Bonds") to refund and prepay prior obligations of the Former Agency; and

WHEREAS, the Successor Agency wishes to refinance the outstanding 2016 Bonds for interest cost savings by issuing its Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A (the "Refunding Bonds") in an aggregate principal amount not to exceed $35,000,000; and

WHEREAS, section 34177.5 of the Law authorizes the issuance by the Successor Agency of refunding bonds pursuant to Article 11 (commencing with section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in section 34177.5(a)(1) of the Law (the "Savings Parameters"); and

WHEREAS, to confirm compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of the Refunding Bonds, the Successor Agency

has caused its municipal advisor, Kosmont Financial Services (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to affected taxing entities as a result of the use of the proceeds of the Refunding Bonds to refund all or a portion of 2016 Bonds (the "Debt Service Savings Analysis"); and

WHEREAS, the Debt Service Savings Analysis has demonstrated that a refunding of the 2016 Bonds will satisfy the Savings Parameters; and

WHEREAS, Section 5852.1 of the California Government Code requires that the Successor Agency obtain from an underwriter, municipal advisor, or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Refunding Bonds, certain good faith estimates relating to the Refunding Bonds;

WHEREAS, in compliance with Section 5852.1 of the California Government Code, the Successor Agency has prepared, with the assistance of the Municipal Advisor, the required good faith estimates and such estimates are included as Exhibit A to this Resolution;

WHEREAS, Successor Agency has duly considered the above described transactions and wishes at this time to authorize the issuance and sale of the Refunding Bonds.

NOW THEREFORE, BE IT RESOLVED, THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The Successor Agency hereby authorizes the issuance of the Refunding Bonds to refinance redevelopment and housing activities of the Former Agency by means of the refunding of the 2016 Bonds.

SECTION 2. The Refunding Bonds shall be issued pursuant to the Refunding Bond Law and pursuant to the Indenture of Trust (No. A-9841) (the "Indenture") by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Successor Agency hereby approves the Indenture in the form on file with the Secretary. The Chair, the Vice Chair, the Treasurer and the Executive Director (the "Designated Officers"), each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the Indenture in said form, together with such additions thereto or changes therein as the Designated Officer executing the Indenture, upon consultation with general counsel to the Successor Agency and Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the Indenture by a Designated Officer shall be conclusive evidence of the approval of any such additions and changes. The Successor Agency hereby authorizes the delivery and performance by the Successor Agency of the Indenture.

SECTION 3. The form of the Refunding Instructions on file with the Secretary are hereby approved and the Authorized Officers are, each acting alone hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and

deliver the Refunding Instructions. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Refunding Instructions.

SECTION 4. The Successor Agency hereby authorizes the sale of the Bonds to Raymond James Public Finance (the "Underwriter"). The Successor Agency hereby approves the Bond Purchase Agreement (No. A-9842), by and between the Underwriter and the Successor Agency (the "Bond Purchase Agreement"), in the form on file with the Secretary, pursuant to which the Refunding Bonds shall be sold to the Underwriter. The Designated Officers, each acting alone, are hereby authorized and directed to execute and deliver the Bond Purchase Agreement in said form, together with such additions thereto and changes therein as a Designated Officer executing the Bond Purchase Agreement, upon consultation with general counsel to the Successor Agency and Bond Counsel, shall deem necessary, desirable or appropriate, so long as the principal amount of the Refunding Bonds does not exceed the $35,000,000, the requirements of section 34177.5(a)(1) of the Law are satisfied with respect to the Refunding Bonds and the Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 0.65% of the initial principal amount of the Refunding Bonds, and the execution by a Designated Officer of the Bond Purchase Agreement shall be conclusive evidence of the approval of any such additions and changes. The Successor Agency hereby authorizes the delivery and performance by the Successor Agency of the Bond Purchase Agreement.

SECTION 5. The Refunding Bonds, when executed, shall be delivered to the Trustee under the Indenture for authentication. The Trustee is hereby requested and directed to authenticate the Refunding Bonds by executing the trustee's certificate of authentication and registration appearing thereon, and to deliver the Refunding Bonds, when duly executed and authenticated, to the Underwriter in accordance with written instructions executed on behalf of the Successor Agency by a Designated Officer, which instructions such officers are each hereby authorized and directed to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Refunding Bonds to the Underwriter in accordance with the Bond Purchase Agreement, upon payment of the purchase price therefor.

SECTION 6. The firm of Kosmont Financial Services is hereby designated as municipal advisor to the Successor Agency for the Refunding Bonds (the "Municipal Advisor"); and the firm of Best Best & Krieger LLP is hereby designated as Bond Counsel and as Disclosure Counsel to the Successor Agency for the Refunding Bonds (collectively, "Bond Counsel").

SECTION 7. Successor Agency Staff are hereby directed to take any and all actions necessary under the Redevelopment Dissolution Act to (a) include the Refunding Bonds as Enforceable Obligations (as defined in section 34171(d)(1) of the Law) of the Successor Agency, and (b) cause the Pledged Tax Revenues (as such term is defined in the Indenture) to be allocated to the Successor Agency and deposited to the Redevelopment Obligation Retirement Fund established under the Indenture, and paid to the Trustee to be applied to the payment of the scheduled debt service on the Refunding Bonds as provided in the Indenture.

SECTION 8. The Successor Agency hereby requests the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale (the "Oversight Board"), as authorized by section 34177.5(f) of the Law, to direct the Successor Agency to undertake the refunding proceedings, and as authorized by section 34177.5(f) of the Law and section 34180 of the Law, to approve the issuance of the Refunding Bonds pursuant to section 34177.5(a)(1) of the Law, this Resolution and the Indenture.

SECTION 9. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(i) The Successor Agency is authorized, as provided in section 34177,5(f) of the Law, to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(ii) The application of the proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the 2016 Bonds, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in section 34177.5(a) of the Law, including municipal bond insurance and reserve fund surety bond premiums, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, notwithstanding section 34177.3 of the Law or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Los Angeles County Auditor-Controller or any other person or entity other than the Successor Agency; and

(iii) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under section 34181(a)(3) of the Law without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to section 34183 of the Law; and, in addition and as provided by section 34177.5(f) of the Law, if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings for the 2016 Bonds from such property tax revenues pursuant to section 34183 of the Law -without reduction in its Administrative Cost Allowance.

SECTION 10. The Secretary of the Successor Agency is hereby authorized and directed to file a certified copy of this Resolution with the Oversight Board, and, as provided in section 34180(j) of the Law with the Los Angeles County Administrative Officer, the Los Angeles County Auditor-Controller and the California Department of Finance.

SECTION 11. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Secretary of the Successor Agency, and any and all other officers of the Successor Agency, are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, including

execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Refunding Bonds as described herein.

In furtherance of the foregoing, the Designated Officers are hereby authorized to approve modifications to the documents approved by this Resolution (a) to allow for municipal bond insurance and a reserve fund surety bond for the Refunding Bonds if, upon the advice of the Municipal Advisor, such insurance and/or surety bond are advantageous to the Successor Agency in the circumstances, and (b) to remove one or more of the 2016 Bonds obligations from the documents if necessary for the Refunding Bonds to satisfy the requirements of section 34177.5(a)(1) of the Law.

Whenever in this Resolution any officer of the Successor Agency is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

SECTION 12. This Resolution shall take effect immediately upon its adoption.

SECTION 13. The Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 5th day of May 2026.

_____

Approved as to form: Eric Ohlsen, Chair

ATTEST:

_____ _____

Alexandra Severino
General Counsel

Rochelle Scott, Agency Secretary

I, Rochelle Scott, Agency Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the Successor Agency at a regular meeting of said Agency held on the 5th day of May 2026 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____

Rochelle Scott, Agency Secretary

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Refunding Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Successor Agency by the Municipal Advisor.

Principal Amount of the Successor Agency Refunding Bonds. The Municipal Advisor has informed the Successor Agency that, based on the financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Refunding Bonds to be sold is $30,610,000 (the "Estimated Principal Amount"), which excludes approximately $2,957,920 of net premium estimated to be generated based on current market conditions. Net premium is generated when, on a net aggregate basis for a single issuance of bonds, the price paid for such bonds is higher than the face value of the bonds.

True Interest Cost of the Successor Agency Refunding Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 2.9001%.

Finance Charge of the Successor Agency Refunding Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is $692,523.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount and net premium of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Successor Agency for the sale of the Refunding Bonds, less the finance charge of the Refunding Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is $32,875,397.

Total Payment Amount. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum

total of all payments the Successor Agency will make to pay debt service on the Refunding Bonds, plus the finance charge for the Refunding Bonds, as described above, not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is $37,810,872 (excluding any offsets from reserves or capitalized interest).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Refunding Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan or finance charges, or a combination of such factors. The actual date of sale of the Refunding Bonds and the actual principal amount of Refunding Bonds sold will be determined by the Successor Agency, based on the timing of the need for proceeds of the Refunding Bonds and other factors. The actual interest rates borne by the Refunding Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Successor Agency.

==========

INDENTURE OF TRUST
(A-_____)

by and between the

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

dated as of _____, 2026

relating to:
$_____
Successor Agency to the Community Redevelopment Agency
of the City of Palmdale
Tax Allocation Refunding Bonds, 2026 Series A

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EXHIBIT A ..... FORM OF BOND

INDENTURE OF TRUST

THIS INDENTURE OF TRUST No. A-_____(this "Indenture"), dated as of _____, 2026, is by and between the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE, a public body duly organized and existing under the laws of the State of California (the "Successor Agency"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

RECITALS:

WHEREAS, the Community Redevelopment Agency of the City of Palmdale (the "Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), including the power to borrow funds and issue bonds for any of its corporate purposes;

WHEREAS, on January 4, 2012, the City Council of the City of Palmdale (the "City Council") adopted Resolution No. CC 2012-002 declaring itself as the successor agency to the Agency (the "Successor Agency") upon the dissolution of the Agency;

WHEREAS, the powers, assets and obligations of the Agency were transferred on February 1, 2012 to the Successor Agency;

WHEREAS, the Successor Agency issued its $31,490,000 original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series A (the "2016A Bonds") and its $_____ original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series B (the "2016B Bonds" and together with the 2016A Bonds, the "2016 Bonds") to refund and prepay prior obligations of the Agency; and

WHEREAS, the Successor Agency wishes to refinancing the outstanding 2016 Bonds for an interest cost savings by issuing its $_____ Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A (the "Bonds")

WHEREAS, the total net interest cost to maturity of the Bonds plus the principal amount of the Bonds will not exceed the total net interest cost to maturity of the 2016 Bonds to be refunded plus the principal amount of the 2016 Bonds to be refunded; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency has determined that all acts and proceedings required by law necessary to make the Bonds when executed by the Successor Agency and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken.

AGREEMENT:

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest on all the Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Agency" means the former Community Redevelopment Agency of the City of Palmdale.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds and any Parity Debt in such Bond Year, assuming that the Outstanding Bonds and Parity Debt are retired as scheduled, and (b) the principal or sinking fund amount of the Outstanding Bonds and Parity Debt payable by their terms in such Bond Year.

"Bond Insurer" means _____.

"Bonds" means the $_____ Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A, and, when the context requires, any Parity Debt.

"Bond Year" means any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on September 1, 2026.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banks, in Los Angeles and San Francisco, California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"City" means the City of Palmdale, California.

"Closing Date" means _____, 2026, being the date on which the Bonds are delivered by the Successor Agency to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, operating expenses, rating agency fees, filing and recording-fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, fiscal consultants, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

"County" means the County of Los Angeles, California.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Defeasance Obligations" means any one or more of the following:

(a) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGS").

(b) Direct obligations of the Treasury which have been stripped by the Treasury itself.

(c) Pre-refunded municipal bonds rated both Aaa by Moody's and AAA by S&P

(d) Obligations issued by the following agencies which are backed by the full faith and credit of the United States:

1)[U.S. Export-Import Bank (Eximbank)

i. Direct obligations or fully guaranteed certificates of beneficial ownership

2) Federal Financing Bank

3) General Services Administration

i. Participation certificates

4) U.S. Department of Housing and Urban Development (HUD)

i. Project Notes

ii. Local Authority Bonds

iii. New Communities Debentures - U.S. government guaranteed debentures

iv. U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

"Dissolution Act" means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended.

"Event of Default" means any of the events described in Section 8.01.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (a) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (b) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (c) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

["Financial Guaranty Agreement" means the Financial Guaranty Agreement, dated as of _____, 2026, between the Successor Agency and the Bond Insurer.]

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Indenture" means this Indenture of Trust (A-_____) by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency; and (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Financial Consultant" means any financial consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency, other than as original purchaser of the Bonds or any Parity Debt; and (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be -regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom: (a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of redevelopment projects; (b) is in fact independent and not under domination of the Successor Agency; (c) does not have any substantial interest, direct or indirect, with the Successor Agency; and (d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Information Services" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at http://emina.msrb.org) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information with respect to called bonds as the Successor Agency may designate in a Written Certificate of the Successor Agency delivered to the Trustee.

"Insured Bonds" means the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A, maturing in the years September 1, _____ through and including September 1, _____.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means March 1 and September 1 in each year, commencing [_____], so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the California Health and Safety Code, and the acts amendatory thereof and supplemental thereto.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year following the anticipated issuance of Bonds and Parity Debt.

"Moody's" means Moody's Investors Service, its successors and assigns.

"Negotiated Pass-Through Amounts" means amounts paid to affected taxing agencies pursuant to the Pass-Through Agreements.

"Original Purchaser" means Raymond James Public Finance, the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 10.03; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

"Oversight Board" means the oversight board of the Successor Agency duly constituted from time to time pursuant to section 34179 of the Dissolution Act.

"Owner" or "Bondowner" or "Bond Owner" means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Parity Debt" means any loans, advances or indebtedness issued or incurred by the Successor Agency and secured by a pledge of the Pledged Tax Revenues on a parity with the Bonds pursuant to Section 3.04.

"Pass-Through Agreements" means: (a) the agreement entitled "Amended and Restated Agreement for Allocation of Tax Increment Funds," entered into as of June 30, 1993, among the Agency, the City, the Consolidated Fire Protection District of Los Angeles County and the County, (b) the agreement entitled "Amended and Restated Agreement to Allocate Tax Increment Funds," entered on December 31, 1993, among the City, the Agency and the Palmdale Water District, and (c) the agreement entitled "Agreement to Allocate Tax Increment Funds Pursuant to Health and Safety Code Section 33401," entered into on February 10, 1983, between the Agency and the Antelope Valley East Kern Water Agency.

"Permitted Investments" means the following, but only to the extent that the same are acquired at Fair Market Value:

(a) Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

(1) U.S. Export-Import Bank (Eximbank)

i. Direct obligations or fully guaranteed certificates of beneficial ownership

(2) Federal Financing Bank

(3) Federal Housing Administration Debentures (FHA)

(4) General Services Administration

i. Participation certificates

(5) General Services Administration

i. GNMA- guaranteed mortgage-backed bonds

ii. GNMA - guaranteed pass-through obligations

iii. not acceptable for certain cash-flow sensitive issues

(6) Bonds or notes issued by any state or municipality whose underlying ratings from Moody's and S&P are in the highest rating categories assigned by such agencies.

i. Project Notes

ii. Local Authority Bonds

iii. New Communities Debentures - U.S. government guaranteed debentures

iv. U.S. Public Housing Notes and Bonds- U.S. government guaranteed public housing notes and bonds

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

(1) Federal Home Loan Bank System Senior debt obligations

(2) Farm Credit System Consolidated system wide bonds and notes

(d) Certificates of deposit secured at all times by collateral described in (a) and/or (b) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the Bondholders must have a perfected first security interest in the collateral.

(e) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BEE and SAIF.

(f) Bonds or notes issued by any state or municipality whose underlying ratings from Moody's and S&P are in the highest rating categories assigned by such agencies.

(g) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed, obligation rating of Prime- 1 or A3 or better by Moody's and A-1 or A or better by S&P.

(h) Repurchase Agreements for 30 days or less, subject to the following criteria:

(1) Repos must be between the municipal entity and a dealer bank or securities firm

i. Primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's, or

ii. Banks rated "A" or above by S&P and Moody's...

"Pledged Tax Revenues" means the moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the Law, as provided in Section 34183 of the Law, excluding (a) Statutory Pass-Through Amounts, (b) Negotiated Pass-Through Amounts, and (c) the portion of such funds needed to pay the Senior Indebtedness. If, and to the extent, that the provisions of Section 34172 of the Law or Section 34183 of the Law are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness of the Successor Agency pursuant to Section 33670 of the Law or such other section as may be in effect at the time providing for the allocation of tax increment revenues to the Successor Agency in accordance with Article XVI, Section 16 of the California Constitution, subject in any event to the prior use thereof, each Fiscal Year, to pay the Senior Indebtedness.

"Policy" means the Financial Guaranty Insurance Policy issued by the Bond Insurer that guarantees the scheduled payment of the principal of and interest on the Insured Bonds when due.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03.

"Principal Corporate Trust Office" means such principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor Agency, initially being at 633 West Fifth Street, 29th Floor, Los Angeles, CA 90071, Attention: Global Corporate Trust Services; except that, with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted initially in St. Paul, Minnesota.

"Prior Trustee" means U.S. Bank Trust Company, National Association, as trustee for the 2016 Bonds.

"Rating Category" means any generic rating category of Moody's or S&P, without regard to any refinement of such category by plus or minus sign or by numerical or other qualifying designation.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, prepared and approved from time to time pursuant to subdivision (1) of section 34177 of the Dissolution Act.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redevelopment Obligation Retirement Fund" means the fund by that name referenced in Section 4.02 of this Indenture.

"Redevelopment Projects" has the meaning given to such term in the third Recital to this Indenture.

"Refunding Bond Law" means, collectively, Section 34177.5(a)(1) of the Law and Section 53580 et seq. of the California Government Code

"Refunding Instructions" means the Irrevocable Refunding Instructions, dated as of the Closing Date, and delivered by the Successor Agency for the refunding of the 2016 Bonds.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Financial Consultant or an Independent Redevelopment Consultant and including: (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates; (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03.

"Reserve Account Insurance Policy" means the Debt Service Reserve Surety Bond issued by the Bond Insurer in lieu of a cash funded reserve fund for the Bonds issued on the Closing Date, in an amount equal to the Reserve Requirement as of the Closing Date, to be held for the credit of the Reserve Account. The Reserve Account Insurance Policy shall constitute a permitted Reserve Account investment instrument for purposes of this Indenture.

"Reserve Requirement" means, as of any date of calculation, to be equal to the least of (a) Maximum Annual Debt Service for the then current or every subsequent Bond Year, (b) 125% of average Annual Debt Service for the then current or every subsequent Bond Year, and (c) 10% of the original principal amount of the Bonds and any Parity Debt

"Responsible Officer" means any Vice President, Assistant Vice President or Trust Officer of the Trustee with responsibility for matters related to this Indenture.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., New York, New York, or its successors.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Certificate of the Successor Agency delivered to the Trustee.

"Senior Indebtedness" means the Agency's 2002 Subordinate Lien Tax Allocation Bonds (Merged Redevelopment Project Areas).

"State" means the State of California.

"Statutory Pass-Through Amounts" means all amounts required to be paid to affected taxing agencies pursuant to Sections 33607.5 and/or 33607.7 of the Law.

"Successor Agency" means the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, as successor to the Agency, being a public body corporate and politic duly organized and existing under the Law.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Term Bonds" means any Parity Debt the principal thereof is payable from sinking fund installments.

"Trustee" means U.S. Bank Trust Company, National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"2016 Bonds" means the 2016A Bonds and the 2016B Bonds.

"2016A Bonds" means the $31,490,000 original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series A.

"2016B Bonds" means the $41,645,000 original principal amount of Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series B.

"Written Request of the Successor Agency" or "Written Certificate of the Successor Agency" means a request or certificate, in writing signed by the Chair, the Executive Director or

the Treasurer of the Successor Agency or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of Bonds. The Bonds in the aggregate principal amount of _____ dollars ($_____) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Refunding Bond Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A."

Section 2.02. Terms of Bonds.

(a) The Bonds shall be issued in fully registered form without coupons in the denomination of $5,000 or any integral multiple thereof. The Bonds shall mature on the dates and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates per annum as follows:

Maturity Date (September 1)	**Principal Amount**	**Interest Rate Per Annum**

* Indicates the Insured Bonds.

(b) Interest on the Bonds (including the final interest payment upon) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more who shall furnish written wire instructions to the Trustee on or before the applicable Record Date. Such instructions shall remain in effect until rescinded in writing by the Owner. Principal of any Bond shall be paid upon presentation and surrender thereof, at maturity, at the Principal Corporate Trust Office. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

(c) The Bonds shall be dated as of their date of delivery and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) the Bonds are authenticated on or before [_____], in which event they shall bear interest from their date of delivery; provided, however, that if, as of the date of authentication of the Bonds, interest thereon is in default, the Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Redemption of Bonds. The Bonds are not subject to redemption prior to their stated date of maturity.

Section 2.04. Form of Bonds. The Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Chair and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinafter set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06 any Bonds during the period fifteen (15) days prior to the maturity date.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, any Bonds during the fifteen (15) days prior to the date of maturity.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. CUSIP Numbers. The Trustee and the Successor Agency shall not be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond, check, advise of payment and any such document may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Successor Agency nor the Trustee shall be liable for any inaccuracy in such numbers.

Section 2.12. Book-Entry Only System. It is intended that the Bonds, be registered so as to participate in a securities depository system with DTC (the "DTC System"), as set forth herein.

The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds in the name of Southwest Securities, Inc. and shall thereafter be assigned to and registered in the name of Cede & Co., as nominee of DTC. The Successor Agency and the Trustee are authorized to execute and deliver such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including a representation letter in the form required by DTC (the "Representation Letter"). In the event of any conflict between the terms of any such letter or agreement, including the Representation Letter, and the terms of this Indenture, the terms of this Indenture shall control. DTC may exercise the rights of a Bondholder only in accordance with the terms hereof applicable to the exercise of such rights.

With respect to the Bonds registered in the books of the Trustee in the name of Cede & Co., as nominee of DTC, the Successor Agency and the Trustee, shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "DTC Participant") or to any person on behalf of whom such a DTC Participant directly or indirectly holds an interest in the Bonds (each such person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, Successor Agency and the Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any Indirect Participant or any other person, other than a Bondholder, as shown in the Register, of any notice with respect to the Bonds, (c) the payment to any DTC Participant or Indirect Participant or any other Person, other than a Bondholder, as shown in the Register, of any amount with respect to principal of, premium, if any, or interest on, the Bonds or (d) any consent given by DTC as registered owner. So long as certificates for the Bonds are not issued pursuant to Section 2.12 and the Bonds are registered to DTC, the Successor Agency, and the Trustee shall treat DTC or any successor securities depository as, and deem DTC or any successor securities depository to be, the absolute owner of the Bonds for all purposes whatsoever, including without limitation (i) the payment of principal and interest on the Bonds, (ii) giving notice of other matters with respect to the Bonds, and (iii) registering transfers with respect to the Bonds. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond certificate with respect to any Bond. Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the Representation Letter.

Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks being mailed to the registered owner at the close of business on the Record Date applicable to any Interest Payment Date, the name "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 2.13. Successor Securities Depository; Transfers Outside Book Entry-Only System. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Successor Agency and the Trustee and discharging its responsibilities with respect thereto under applicable law. The Successor Agency, without the

consent of any other person, but following written notice to the Successor Agency and the Trustee, may terminate the services of DTC with respect to the Bonds. Upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to the foregoing provisions, unless a substitute securities depository is appointed to undertake the functions of DTC hereunder, the Successor Agency, at the expense of the Successor Agency, is obligated to deliver Bond certificates to the beneficial owners of the Bonds, as described in this Indenture, and the Bonds shall no longer be restricted to being registered in the books of the Trustee in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or name Bondowner transferring or exchanging Bonds shall designate to the Trustee in writing, in accordance with the provisions of this Indenture. The Successor Agency may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a securities depository system, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, as may be acceptable to the Successor Agency, or such depository's agent or designee.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS; PARITY DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee Bonds in the aggregate principal amount of _____ dollars ($_____) and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale. Upon the receipt of the proceeds of the sale of the Bonds on the Closing Date of $_____ (being the principal amount of the Bonds of $_____, less an underwriter's discount of $_____, plus an original issue premium of $_____, less the premium for the Policy in the amount of $_____ and less the premium for the Reserve Account Insurance Policy of $_____ (which premiums were wired by the Original Purchaser directly to the Bond Insurer on the Closing Date)) the Trustee shall apply the proceeds of sale thereof as follows:

(a) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund;

(b) The Trustee shall transfer the amount of $_____ to the Prior Trustee for deposit as directed in the Refunding Instructions to redeem the 2016A Bonds; and

(c) The Trustee shall transfer the amount of $_____ to the Prior Trustee for deposit as directed in the Refunding Instructions to redeem the 2016A Bonds.

The Trustee may establish, as it deems necessary, a temporary fund or account on its records to facilitate the deposits and transfers set forth herein. Also, in addition to the foregoing, the Trustee shall hold the Reserve Account Insurance Policy for the benefit of the Reserve Account.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay

the Costs of Issuance upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date six months following the Closing Date, or upon the earlier Written Request of the Successor Agency stating that all known Costs of Issuance have been paid, all amounts, if any, remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account, and the Trustee shall then close the Costs of Issuance Fund.

Section 3.04. Issuance of Parity Debt. In addition to the Bonds, the Successor Agency may issue or incur Parity Debt to refund all or any portion of the Bonds, or previously issued Parity Debt, or any of the Senior Indebtedness, in each case in such principal amount as shall be determined by the Successor Agency, pursuant to a separate or Supplemental Indenture adopted or entered into by the Successor Agency and Trustee if (a) the Successor Agency is in compliance with all covenants set forth in this Indenture, and (b) the Parity Debt is in compliance with the requirements of Section 34177.5(a)(1) of the Dissolution Act.

The Supplemental Indenture providing for the issuance of the Parity Debt shall provide

that:

(a) Interest on the Parity Debt is payable on March 1 and September 1 in each year of the term thereof;

(b) The principal of the Parity Debt is payable on September 1 in any year in which principal is payable;

(c) The trustee for the Parity Debt is the same entity which performs the duties of Trustee for the Bonds; and

(d) A reserve account shall be established for the Parity Debt in an initial amount equal to the least of 10% of the par amount of the Parity Debt, maximum annual debt service on the Parity Debt, or 125% of average annual debt service on the Parity Debt, and which may be funded in cash or in the form of a surety bond or other credit facility issued by a financial institution having a rating at least equal to the rating then applicable to the Bonds, provided that such reserve account shall only secure the repayment of such Parity Debt and shall not secure the Bonds or any other issue of Parity Debt.

Section 3.05. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion to the Community Redevelopment Project or upon the performance by any person of his obligation with respect to the Redevelopment Project.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. -Except as provided in Sections 4.02 and 6.06, the Bonds and any Parity Debt shall be equally secured (a) by a pledge of, security interest

in and lien on all of the Pledged Tax Revenues excluding the Pledged Tax Revenues distributed on January 2 in each Bond Year not required for debt service on the Bonds on March 1 of such year, but including all Pledged Tax. Revenues distributed on January 2 in each Bond Year to be reserved for 50% of the September 1 payment of principal on the Bonds in such Bond Year; and (b) by a first and exclusive pledge and lien upon all of the moneys in the Redevelopment Obligation Retirement Fund without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery; provided, however, that so long as any of the Senior Indebtedness remains outstanding, the Successor Agency shall first use the amounts deposited to the Redevelopment Obligation Retirement Fund as required to satisfy its scheduled obligations with respect to such outstanding Senior Indebtedness. The Bonds (exclusive of any Parity Debt) are also secured by an exclusive pledge of, security interest in and lien on amounts in the Reserve Account. Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

In consideration of the acceptance of the Bonds by those who shall own the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Trustee for the benefit of the Bond Insurer and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Pledged Tax Revenues. There has been established a special trust fund known as the "Redevelopment Obligation Retirement Fund," which shall be held by the Successor Agency pursuant to section 34170.5 of the Dissolution Act. There is hereby established a special trust fund known as the "Debt Service Fund" and the accounts therein referred to below which shall be held by the Trustee. The Successor Agency shall deposit all of the Pledged Tax Revenues (including for this purpose amounts described in clause (c) of the definition thereof in Section 1.02) received in any Bond Year in the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency. Amounts in the Redevelopment Obligation Retirement Fund, after deductions for amounts due on any outstanding Senior Indebtedness, shall be promptly transferred (a) to the Debt Service Fund established and held by the Trustee under this Indenture until such time during such Bond Year as the amounts so transferred to the Debt Service Fund hereunder equal the aggregate amounts required to be deposited by the Trustee into the Interest Account, the Principal Account, and the Reserve Account (including amounts owed by the Successor Agency under the Financial Guaranty Agreement) of the Debt Service Fund in such Bond Year pursuant to Section 4.03 of this Indenture excluding the Pledged Tax Revenues distributed on January 2 in each Bond Year not required for debt service on the Bonds on March 1 of such year, but including all Pledged Tax Revenues distributed on January 2 in each Bond Year to be reserved for 50% of the September 1 principal on the Bonds payable in such Bond Year; and (b) for deposit in such Bond Year in the funds and accounts established with respect to Parity Debt, as provided in any Supplemental Indenture.

In the event that the amount of Pledged Tax Revenues (available after payment of debt service on the Senior Indebtedness) is not sufficient to pay the Bonds and any Parity Debt outstanding, any such insufficiency shall be allocated among the Bonds and any Parity Debt on a pro rata basis (based on the amount of debt service coming due during any such period of insufficiency).

Any Pledged Tax Revenues received during a Bond Year and held in the Redevelopment Obligation Retirement Fund, to the extent remaining after payment of amounts due on any Senior Indebtedness, and making the foregoing transfers to the Debt Service Fund and in respect of any Parity Debt in such Bond Year, shall be released from the pledge and lien under this Indenture which secures the Bonds and any Parity Debt and may be applied for any lawful purposes of the Successor Agency, including but not limited to administrative costs of the Successor Agency.

Section 4.03. Deposit of Amounts by Trustee. There are hereby created accounts within the Debt Service Fund as set forth below, to be known respectively as the Interest Account, the Principal Account and the Reserve Account. Moneys in the Debt Service Fund will be transferred by the Trustee in the following amounts at the following times, for deposit by the Trustee in the following respective accounts within the Debt Service Fund, in the following order of priority:

(a) *Interest Account*. On or before the fifth Business Day preceding each Interest Payment Date, to the extent there are moneys available, the Trustee shall transfer funds from the Debt Service Fund for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds and Parity Debt on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds and Parity Debt of the interest coming due on the Bonds to be redeemed. Subject to this Indenture, all moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds and Parity Debt as it becomes due and payable (including accrued interest on any Bonds and Parity Debt redeemed prior to maturity pursuant to this Indenture).

(b) *Principal Account*. On or before the fifth Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date occurring on September 1, 2026, to the extent there are moneys available, the Trustee shall transfer funds from the Debt Service Fund for deposit in the Principal Account an amount equal to one-half of the principal payments becoming due and payable on Outstanding Bonds and Parity Debt on the next September 1, to the extent monies on deposit in the Debt Service Fund are available therefor. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal payments to become due on the next September 1 on all Outstanding Bonds and Parity Debt. Subject to this Indenture, all moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal payments of the Bonds and Parity Debt as it becomes due and payable.

(c) *Reserve Account*.

(i) In lieu of a cash deposit to the Reserve Account, the Reserve Account Insurance Policy shall be delivered to the Trustee on the Closing Date, and shall be held by the Trustee for the credit of the Reserve Account solely for the benefit of the Bonds issued on the Closing Date (and not for the benefit of any Parity Debt).

If, on the third Business Day prior to any Interest Payment Date, the moneys available in the Interest Account and, Principal Account, do not equal the amount of the principal and interest on the Bonds (not including any Parity Debt) then coming due and payable, the Trustee shall first apply any moneys available in the Reserve Account to make delinquent amounts with respect to the Bonds (not including any Parity Debt) by transferring the amount necessary for this purpose to the Interest Account and, Principal Account, and then shall (subject to Section 4.03(c)(iii) below) draw on the Reserve Account Insurance Policy to the extent an insufficiency still exists and apply amounts received from such draw to make delinquent amounts on the Bonds (and not on any Parity Debt) by transferring the amount necessary for this purpose to the Interest Account and, Principal. To the extent there is cash or investments on deposit in the Reserve Account, such cash or investments shall be applied first before there is any draw on the Reserve Account Insurance Policy or any other credit facility credited to the Reserve Account in lieu of cash (a "Credit Facility"). Payment of any Reserve Account Insurance Policy Costs (hereinafter defined) shall be made prior to replenishment of any such cash amounts.

Draws on all Credit Facilities (including the Reserve Account Insurance Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Account. Payment of amounts owed by the Successor Agency under the Financial Guaranty Agreement as necessary to reimburse any draw on the Reserve Account Insurance Policy and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account.

The Trustee shall ascertain the necessity for a claim upon the Reserve Account Insurance Policy, and provide notice to the Bond Insurer in accordance with the terms of the Reserve Account Insurance Policy at least three (3) Business Days prior to each date upon which interest or principal is due with respect to the Bonds issued on the Closing Date.

The Successor Agency has no obligation to replace the Reserve Account Insurance Policy or to fund the Reserve Account with cash if, at any time the Bonds are outstanding, amounts are unavailable under the Reserve Account Insurance Policy.

(ii) The Successor Agency agrees to repay any draws under the Reserve Account Insurance Policy and pay all related reasonable expenses incurred by the Bond Insurer as provided in the Financial Guaranty Agreement.

The Successor Agency hereby agrees to amend its then current Recognized Obligation Payment Schedule in order to include any amount owed by it under the Financial Guaranty Agreement not so included on such Recognized Obligation Payment Schedule. To the extent that such repayment and payment cannot be made in full within the current Recognized Obligation Payment Schedule period, the Successor Agency shall include the payment and repayment on the

next available Recognized Obligation Payment Schedule and on successive Recognized Obligation Payment Schedules until such amounts so owed have been paid in full.

The obligation of the Successor Agency to pay amounts owed by it under the Financial Guaranty Agreement shall be secured by a valid lien on the Pledged Tax Revenues, the Redevelopment Obligation Retirement Fund and all moneys in the Debt Service Fund, subject only to the priority of payment provisions set forth in this Indenture (including Sections 4.02 and 8.02, and this Section 4.03).

(iii) Draws under the Reserve Account Insurance Policy or on any funds in the Reserve Account may only be used to make payments on Bonds issued on the Closing Date.

(iv) This Indenture shall not be discharged until all amounts due and owing to the Bond Insurer under the Financial Guaranty Agreement or any other document between the Successor Agency and the Bond Insurer shall have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(v) The Reserve Account Insurance Policy shall expire on the earlier of the date the Bonds issued on the Closing Date are no longer outstanding and the final maturity date of the Bonds issued on the Closing Date.

ARTICLE V

OTHER COVENANTS OF THE AGENCY

Section 5.01. Covenants of the Successor Agency. As long as the Bonds are outstanding and unpaid, the Successor Agency shall (through its proper members, officers, agents or employee's) faithfully perform and abide by all of the covenants, undertakings and provisions contained in this Indenture or in any Bond issued hereunder, including the following covenants and agreements for the benefit of the Bondowners which are necessary, convenient and desirable to secure the Bonds and any Parity Debt; provided, however, that the covenants do not require the Successor Agency to expend any funds other than the Pledged Tax Revenues:

(a) *Use of Proceeds; Management and Operation of Properties*. The Successor Agency covenants and agrees that the proceeds of the sale of the Bonds will be deposited and used as provided in this Indenture and that it will manage and operate all properties owned by it comprising any part to the Redevelopment Projects in a sound and businesslike manner.

(b) *No Priority*. The Successor Agency covenants and agrees that it will not issue any obligations payable, either as to principal or interest, from the Pledged Tax Revenues which have any lien upon the Pledged Tax Revenues prior or superior to the lien of the Bonds. Except as permitted by Section 3.04 hereof, it will not issue any obligations, payable as to principal or interest, from the Pledged Tax Revenues, which have any lien upon the Pledged Tax Revenues on a parity with the Bonds authorized herein. Notwithstanding the foregoing, nothing in this Indenture shall prevent the Successor Agency (i) from issuing and selling pursuant to law, refunding obligations payable from and having any lawful lien upon the Pledged Tax Revenues, if such refunding obligations are issued for the purpose of, and are sufficient for the purpose of, refunding all of the Outstanding Bonds and Parity Debt, (ii) from issuing and selling obligations which have,

or purport to have, any lien upon the Pledged Tax Revenues which is junior to the Bonds, or (iii) from issuing and selling bonds or other obligations which are payable in whole or in part from sources other than the Pledged Tax Revenues. As used herein "obligations" includes, without limitation, bonds, notes, interim certificates, debentures or other obligations.

(c) *Punctual Payment*. The Successor Agency covenants and agrees that it will duly and punctually pay or cause to be paid the principal of and interest on each of the Bonds on the date, at the place and in the manner provided in the Bonds.

(d) *Payment of Taxes and Other Charges*. The Successor Agency covenants and agrees that it will from time to time pay and discharge, or cause to be paid and discharged, all payments in lieu of taxes, service charges, assessments or other governmental charges which may lawfully be imposed upon the Successor Agency or any of the properties then owned by it in the Redevelopment Project, or upon the revenues and income therefrom, and will pay all lawful claims for labor, materials and supplies which if unpaid might become a lien or charge upon any of the properties, revenues or income or which might impair the security of the Bonds or the use of Pledged Tax Revenues or other legally available funds to pay the principal of and interest on the Bonds, all to the end that the priority and security of the Bonds shall be preserved; provided, however, that nothing in this covenant shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of the payment.

(e) *Books and Accounts; Financial Statements*. The Successor Agency covenants and agrees that it will at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Redevelopment Project and the Pledged Tax Revenues and other funds relating to the Redevelopment Project. The Successor Agency will prepare within one hundred eighty (180) days after the close of each of its Fiscal Years a post-audit of the financial transactions and records of the Successor Agency for the Fiscal Year to be made by an Independent Certified Public Accountant appointed by the Successor Agency, and will furnish a copy of the post-audit to the Trustee and any rating agency which maintains a rating on the Bonds, and, upon written request, to any Bondowner. The Trustee-shall have no duty to review such post-audits.

(f) *Eminent Domain Proceeds*. The Successor Agency covenants and agrees that if all or any part to the Community Redevelopment Project should be taken from it without its consent, by eminent domain proceedings or other proceedings authorized by law, for any public or other use under which the property will be tax exempt, it shall take all steps necessary to adjust accordingly the base year property tax roll of the Redevelopment Projects.

(g) [intentionally omitted]

(h) *Protection of Security and Rights of Bondowners*. The Successor Agency covenants and agrees to preserve and protect the security of the Bonds and the rights of the Bondowners and to contest by court action or otherwise (i) the assertion by any officer of any government unit or any other person whatsoever against the Successor Agency that (A) the Law is unconstitutional or (B) that the Pledged Tax Revenues pledged under this Indenture cannot be paid to the Successor Agency for the debt service on the Bonds or (ii) any other action affecting the validity of the Bonds

or diluting the security therefor, including, with respect to the Pledged Tax Revenues, the senior lien position of the Bonds to the Statutory Pass-Through Amounts.

(i) *Tax Covenants*. The Successor Agency covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any departments or agency thereof that the interest received by the Bondowners is includable in gross income of the recipient under federal income tax laws on the date of issuance of the Bonds. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest with respect to the Bonds and Parity Debt will not be adversely affected for federal income tax purposes, the Successor Agency covenants to comply with all applicable requirements of the Tax Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(i) Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government. In the event that the Successor Agency shall determine that any amounts are due and payable to the United States of America hereunder and that the Trustee has on deposit an amount of available moneys (excluding moneys on deposit in the Interest Account and, the Principal Account, or the Reserve Account and excluding any other moneys required to pay the principal of or interest on the Bonds) to make such payment, the Successor Agency shall promptly pay from available Pledged Tax Revenues or any other source of legally available funds the sum of (A) one hundred percent (100%) of the amounts determined to be due and payable to the United States of America as a result of the investment of amounts on deposit in any fund or account established hereunder, plus (B) all other amounts due and payable to the United States of America.

(ii) Private Business Use Limitation. The Successor Agency shall assure that the proceeds of the Bonds are not used in a manner which would cause the Bonds to become "private activity bonds" within the meaning of section 141(a) of the Tax Code.

(iii) Private Loan Limitation. The Successor Agency shall assure that no more than five percent (5%) of the net proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting non-purpose obligations as defined in the Tax Code or constituting assessments) to persons other than state or local-government units.

(iv) Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Tax Code.

(v) No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date of the Bonds, would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Tax Code.

(j) *Compliance with Dissolution Act; Recognized Obligation Payment Schedules*. The Successor Agency covenants that it will comply with all of the requirements of the Dissolution Act applicable to it and to the Bonds. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to take all actions required under the Dissolution Act to prepare and file Recognized Obligation Payment Schedules so as to enable the Los Angeles County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund (as such term is used in the definition "Pledged Tax Revenues" in this Indenture) for deposit in the Redevelopment Obligation Retirement Fund all amounts as shall be required to enable the Successor Agency to timely pay the principal of, and interest on, all outstanding Senior Indebtedness and all Outstanding Bonds coming due in each Fiscal Year, including any amounts due and owing to the Bond Insurer in respect of the Reserve Policy, or required to replenish the Reserve Account, and the respective reserve accounts established for the Senior Indebtedness or any Parity Debt.

Without limiting the generality of the foregoing, the Successor Agency shall take all actions required under the Dissolution Act to file a Recognized Obligation Payment Schedule by February 1 in each year, commencing February 1, 2027, in accordance with Section 34177(0) of the Redevelopment Law. For the semiannual period ending each June 30, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Pledged Tax Revenues which is at least equal to the following:

(i) 100% of the amount of principal of and interest on the Senior Indebtedness coming due and payable on the next succeeding March 1, June 1, July 1, September 1, December 1 and January 1,

(ii) 100% of the amount of interest on the Bonds and all Outstanding Parity Debt coming due and payable on the next succeeding March 1,

(iii) 50% of the amount of principal on the Bonds and all Outstanding Parity Debt coming due and payable on the next succeeding September 1,

(iv) any amount -then required to replenish the full amount of the Reserve Requirement in the Reserve Account and to replenish the amount in any reserve account established for all outstanding Senior Indebtedness or Parity Debt; and

(v) any amount then required to make payments due to the Bond Insurer in respect of the Bond Insurance Policy or the Reserve Account Insurance Policy.

For the semiannual period ending each December 31, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Pledged Tax Revenues which is at least equal to the following:

(i) 100% of the interest due on the Bonds and all Outstanding Parity Debt coming due and payable on the next succeeding September 1,

(ii) the remaining principal due on the Bonds and all Outstanding Parity Debt coming due and payable on the next succeeding September 1, and not reserved in the period ending June 30, and

(iii) reserves and amounts due to any bond insurer as described under (iv) and (v) of the preceding paragraph.

The foregoing actions shall include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and the California Department of Finance, to the extent required, the amounts to be held by the Successor Agency as a reserve for the timely payment of principal of and interest on the Bonds, the Senior Indebtedness, and all Outstanding Parity Debt coming due in the succeeding Fiscal Year.

The Successor Agency further agrees (i) to the extent permitted by law, to amend any Recognized Obligation Payment Schedule filing for any period during which amounts owed to the Bond Insurer either with respect to the Bond Insurance Policy or the Reserve Account Insurance Policy are not included on such Recognized Obligation Payment Schedule filing, and (ii) not to submit a Last and Final Recognized Obligation Payment Schedule under the Dissolution Act without the prior written consent of the Bond Insurer.

(k) *Further Assurances*. The Successor Agency covenants and agrees to adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Indenture.

(l) *Continuing Disclosure*. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any participating underwriter, holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of

not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing), or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection of this Section 6.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, whereupon -the Successor Agency shall immediately appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section 6.01 in succession to the Trustee shall be a financial institution having a corporate trust office in the State, having (or in

the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least $75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section 6.01.

Section 6.02. Merger or Consolidation. Any bank, corporation or trust company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank, corporation or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, corporation or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, corporation or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made by a responsible employee or officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or intentional misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a Responsible Officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

The Trustee shall have no liability or obligation to the Bond Owners with respect to the payment of debt service by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and shall be entitled to opinion and advice of counsel concerning all matters of trust and its duties hereunder. The Trustee shall not be responsible for any action taken or not taken on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

Before taking any action under Article Via or this Article at the written request of a majority of the Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all

liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds. The Trustee shall not be accountable for the use or application by the Successor Agency or any other party of any funds which the Trustee has released in accordance with the terms of this Indenture. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees, agents and attorneys. Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Article VI.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or Report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Indenture provided, however, that: (a) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions

and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Pledged Tax Revenues and all - funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities, including legal fees and expenses, which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to _ the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Subject to the provisions of Article V hereof, all moneys held by the Trustee in the Debt Service Fund and, Costs of Issuance Fund shall, at the written direction of the Successor Agency, be invested only in Permitted Investments. If the Trustee receives no written directions from the Successor Agency as to the investment of moneys held in any fund or account, the Trustee shall request such written direction from the Successor Agency and, pending receipt of instructions, shall invest such moneys solely in Permitted Investments described in subsection (d) of the definition thereof.

(a) Moneys in the Redevelopment Obligation Retirement Fund shall be invested by the Successor Agency only in obligations permitted by the Law which will by their terms mature not later than the date the Successor Agency estimates the moneys represented by the particular investment will be needed for withdrawal from the Redevelopment Obligation Retirement Fund.

(b) Moneys in the Interest Account and, the Principal Account of the Debt Service Fund shall be invested only in obligations which will by their terms mature on such dates as to ensure that before each interest and principal payment date, there will be in such account, from matured obligations and other moneys already in such account, cash equal to the interest and principal payable on such payment date.

(c) Moneys in the Reserve Account shall be invested in (i) obligations which will by their terms mature on or before the date of the final maturity of the Bonds or five (5) years from the date of investment, whichever is earlier or (ii) an investment agreement which permits withdrawals or deposits without penalty at such time as such moneys will be needed or in order to replenish the Reserve Account.

Obligations purchased as an investment of moneys in any of the funds or accounts shall be deemed at all times to be a part of such respective Fund or Account and the interest accruing thereon and any gain realized from an investment shall be credited to such Fund or Account and any loss resulting from any authorized investment shall be charged to such Fund or Account without liability to the Trustee. The Successor Agency or the Trustee, as the case may be, shall sell or present for redemption any obligation purchased whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such Fund or Account as required by this Indenture and shall incur no liability for any loss realized upon such a sale. All interest earnings received on any monies invested in the Interest Account, Principal Account, or Reserve Account, to the extent they exceed the amount required to be in such Account, shall be transferred on each Interest Payment Date to the Debt Service Fund. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 6.07. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 6.07 hereof. The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

The value of Permitted Investments shall be determined as follows: (i) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination; (ii) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (iii) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and (iv) as to any investment not specified above: the value thereof established by prior agreement between the Successor Agency

and the Trustee. If more than one provision of this definition of "value" shall apply at any time to any particular investment, the value thereof at such time shall be determined in accordance with the provision establishing the lowest value for such investment; provided, notwithstanding the foregoing, in making any valuations hereunder, the Trustee may utilize and conclusively rely upon such pricing services as may be regularly available to it, including, without limitation, those within its regular accounting system.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture. The Trustee shall maintain and store such records for a period of one year after the stated maturity of the Bonds.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section 6.09 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them; provided, however, in no event shall the Trustee be responsible or liable for the acts or omissions of any co-trustee.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be

exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engage in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption, without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt in accordance with Section 3.04; or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of nationally recognized bond counsel.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, or interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee shall be entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners and that all conditions precedent for any supplement or amendment has been satisfied.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency, the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal or sinking fund payment of or interest on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this. Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of sixty (60) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 60 day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency within such 60 day period and the Successor Agency thereafter diligently and in good faith cures such failure within 120 days; or

(c) if the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or

if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section 8.01 and is continuing, the Trustee may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Promptly upon receiving written notice or actual knowledge (of a Responsible Officer) of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone confirmed in writing. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel) to and any and all other defaults of which the Trustee has notice (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in -every such case, with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Pledged Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of

the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 8.03. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made Written Request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such Written Request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, _shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section 8.03 or any other provision of this Indenture.

Section 8.04. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is ¬absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged

hereunder, the principal of and interest on the Bonds to th? respective Owners on the respective Interest Payment Dates, as herein provided, or affect or - impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the --Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency,-the Trustee and the Owners shall be restored to their former positions, rights and remedies as. if _ • such suit, action or proceeding had not been brought or taken.

Section 8.05. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have ‘appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things-for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable- in the opinion of the Trustee as such attorney-in-fact; provided, however, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel).

Section 8.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.07. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Successor Agency, the Trustee, the Bond Insurer, their -officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation of this Indenture, and all covenants, stipulations, promises and agreements in this Indenture shall be for the sole and exclusive benefit of the Successor Agency, the Trustee, the Bond Insurer, their officers, employees and agents, and the Owners.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee or another fiduciary, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal and, interest, or;

(c) by irrevocably depositing with the Trustee or another fiduciary, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion of (including all principal and, interest) at or before maturity;

and, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, (d) all amounts owed to the Bond Insurer under the Financial Guaranty Agreement or any other document between the Successor Agency and the Bond Insurer have been paid in full, and (e) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon

and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for, payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

To accomplish defeasance the Successor Agency shall cause to be delivered (i) a Report of an Independent Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or earlier redemption date ("Verification"), (ii) an escrow deposit agreement, and (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Indenture; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency and the Trustee.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports -to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Upon

request of the Trustee, the Successor Agency shall specify to the Trustee those Bonds disqualified pursuant to this Section 9.05.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Canceled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class, registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Successor Agency:	Successor Agency to the Community Redevelopment Agency of the City of Palmdale 38300 Sierra Highway, Suite D Palmdale, CA 93550 Attention: Finance Manager
If to the Trustee:	U.S. Bank Trust Company, National Association 633 West Fifth Street, 24th Floor Los Angeles, CA 90071 Attention: Corporate Trust

The Successor Agency and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable. such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform

all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest on such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State applicable to contracts made and performed in the State.

ARTICLE X

BOND INSURANCE PROVISIONS

Section 10.01. Provisions Relating to the Policy.

(a) [In the event that on the second Business Day prior to the payment date on the Insured Bonds, the Trustee has not received sufficient moneys to pay all principal of and interest on the Insured Bonds due on the second following Business Day, the Trustee shall immediately notify the Bond Insurer or its designee on the same Business Day by telephone and email, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(b) If the deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify the Bond Insurer or its designee.

(c) In addition, if the Trustee has notice that any holder of the Insured Bonds (the "Insured Bondholder") has been required to disgorge payments of principal or interest on the Insured Bonds to a trustee in bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Insured Bondholder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Bond Insurer or its designee of such fact by telephone, confirmed in writing by registered or certified mail.

(d) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Insured Bondholders as follows:

(i) If and to the extent there is a deficiency in amounts required to pay interest on the Insured Bonds, the Trustee shall (A) execute and deliver to U.S. Bank Trust Company, National Association, or its successors under the Policy (the "Insurance Trustee"), in form satisfactory to the Insurance Trustee, an instrument appointing the Bond Insurer as agent for such Insured Bondholders in any legal proceeding related to the payment of such interest and an assignment to the Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the Bond Insurer, (B) receive as designee of the respective Insured Bondholders (and not as Trustee) in accordance with the tenor of the Policy payment from the Insurance Trustee with respect to the claims for interest so assigned, and (C) disburse the same to such respective Insured Bondholders; and

(ii) If and to the extent of a deficiency in amounts required to pay principal of the Insured Bonds, the Trustee shall (A) execute and deliver to the Insurance Trustee in form satisfactory to the Insurance Trustee an instrument appointing the Bond Insurer as agent for such Insured Bondholders in any legal proceeding relating to the payment of such principal and an assignment to the Bond Insurer of any of the Insured Bonds surrendered to the Insurance Trustee of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Trustee is received), (B) receive as designee of the respective Insured Bondholders (and not as Trustee) in accordance with the tenor of the Policy payment therefor from the Insurance Trustee, and (C) disburse the same to such Insured Bondholders.

(e) Payments with respect to claims for interest on and principal of Insured Bonds disbursed by the Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Successor Agency with respect to such Insured Bonds, and the Bond Insurer shall become the owner of such unpaid Insured Bond and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.

(f) Irrespective of whether any such assignment is executed and delivered, the Successor Agency and the Trustee hereby agree for the benefit of the Bond Insurer that:

(i) They recognize that to the extent the Bond Insurer makes payments, directly or indirectly (as by paying through the Trustee), on account of principal of or interest on the Insured Bonds, the Bond Insurer will be subrogated to the rights of such Insured Bondholders to take all actions and enforce all rights of such Insured Bondholders and to receive the amount of such principal and interest from the Successor Agency, with interest thereon as provided and solely from the sources stated in this Indenture and the Insured Bonds; and

(ii) They will accordingly pay to the Bond Insurer the amount of such principal and interest (including principal and interest recovered under subparagraph (ii) of the first paragraph of the Policy, which principal and interest shall be deemed past due and not to have been paid), with interest thereon as provided in this Indenture and the Insured Bond, but only from the sources and in the manner provided herein for the payment of principal

of and interest on the Insured Bonds to Insured Bondholders, and will otherwise treat the Bond Insurer as the owner of such rights to the amount of such principal and interest.

(g) With respect to any amendment for which Bondholder consent is a prerequisite, the Bond Insurer's consent is also required and must be obtained.

(h) The Bond Insurer shall receive copies of all notices required to be delivered to Insured Bondholders and any notices of the events listed in Section (b)(2)(5)(i)(C) of Securities and Exchange Commission Rule 15c2-12, as amended, to the extent the required notices were not posted to Electronic Municipal Market Access (EMMA). All notices required to be given to the Bond Insurer shall be in writing and shall be sent by registered or certified mail addressed to _____.

(i) With respect to any refunding of the Insured Bonds, the Successor Agency agrees to provide the Bond Insurer (i) 15 days prior notice of any such advance refunding, (ii) verification by an independent firm acceptable to the Bond Insurer of the sufficiency of the escrow to timely retire the refunded bonds, and (iii) to the extent such advance refunding is intended to discharge or defease the Insured Bonds, an opinion of counsel stating that the Insured Bonds have been legally defeased that the escrow agreement establishing such defeasance operates to legally defease the Insured Bonds within the meaning of this Indenture.

(j) The Successor Agency agrees that the Bond Insurer is explicitly recognized as being a third party beneficiary under this Indenture with the power to enforce any right, remedy, or claim conferred, given or granted under this Indenture.

(k) The Successor Agency agrees to reimburse the Bond Insurer immediately and unconditionally upon demand, to the extent permitted by law and California Department of Finance approval pursuant to applicable provisions of the Law, for all reasonable expenses, including attorneys' fees and expenses, incurred by the Bond Insurer in connection with the enforcement by the Bond Insurer of the Successor Agency's obligations, or the preservation or defense of any rights of the Bond Insurer, under this Indenture and any other document executed in connection with the issuance of the Insured Bonds.]

(Signature page follows)

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE, has caused this Indenture to be signed in its name by its officer thereunto duly authorized and attested by its Secretary, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF PALMDALE

By: _____
[_____]
Executive Director

Attest:

By: _____
[_____]
Secretary

Approved as to form:

By: _____
[_____]
Successor Agency Counsel

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By: _____
Vice President

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TAX ALLOCATION REFUNDING BOND, 2026 SERIES A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	_____ 1, ____	_____, 2026	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the dose of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before [_____], in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on each March 1 and September 1, commencing [_____], or, if such day is not a Business Day (as such term is defined in the Indenture, hereinafter defined), on the next succeeding Business Day (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months.

Principal hereof is payable upon surrender of this Bond at the Principal Corporate Trust Office (as such term is defined in the Indenture) of U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), or at such other place as designated by the Trustee. Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the

Trustee as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose on or before the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds-of the Successor Agency designated as "Successor Agency to the Community Redevelopment Agency of the City of Palmdale Tax Allocation Refunding Bonds, 2026 Series A" (the "Bonds"), of an aggregate principal amount of _____ dollars ($_____), all, of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, and other provisions) and all issued pursuant to the provisions of Section 34177.5 of the California Health and Safety Code and Section 53580 et seq. of the California Government Code and pursuant to an Indenture of Trust, dated as of _____, 2026, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds. Additional bonds, or other obligations may be issued on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law") for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency for the purpose of providing -funds to (a) refund various obligations of the Successor Agency, (b) fund a reserve account for the Bonds, and (c) pay certain expenses of the Successor Agency in issuing the Bonds.

The Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues being the moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of section 34172 the California Health and Safety Code, as provided in paragraph (2) of subdivision (a) of section 34183 of the California Health and Safety Code. If, and to the extent, that the provisions of section 34172 or paragraph (2) of subdivision (a) of section 34183 the California Health and Safety Code are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to section 33670 of the .California Health and Safety Code or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution.

There has been created and will be maintained by the Successor Agency, the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment of the principal of and the interest on the Bonds and any Parity Debt (as

defined in the Indenture) when due, subject to the first use of amounts in the Redevelopment Obligation Retirement Fund to satisfy the Successor Agency's obligations with respect to the Senior Indebtedness (as defined in the Indenture). As and to the extent set forth in the Indenture, all such Pledged Tax Revenues are pledged, in accordance with the terms and provisions of the Indenture and the Redevelopment Law, for the security and payment of the Bonds and any Parity Debt. In addition, the Bonds and any Parity Debt are secured by a pledge of, security interest in and lien upon moneys in the Redevelopment Obligation Retirement Fund, the Debt Service Fund, the Interest Account, the Principal Account and, the Reserve Account, all to the extent set forth in the Indenture. Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

The Bonds are not subject to optional redemption prior to maturity.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of $5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bonds during the fifteen (15) days prior to the date set for maturity.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal and, interest at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

This Bond is not a debt of the City of Palmdale, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Redevelopment Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Redevelopment Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Community Redevelopment Agency of the City of Palmdale has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Chair and attested by the facsimile signature of its Secretary, all as of Dated Date stated above.

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF PALMDALE

By: _____
[_____]
Chair

Attest:

By: _____
[_____]
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____
_____
_____
(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Fiscal Agent.	Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

STATEMENT OF INSURANCE FOR THE INSURED BONDS

$_____
SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TAX ALLOCATION REFUNDING BONDS, 2026 SERIES A

BOND PURCHASE AGREEMENT
(A–9842)

_____, 2026

Successor Agency to the
Community Redevelopment Agency of the
City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550

Ladies and Gentlemen:

The undersigned, Raymond James & Associates, Inc., (the "Underwriter"), offers to enter into this Bond Purchase Agreement (A – 9842) (this "Purchase Agreement") with Successor Agency to the Community Redevelopment Agency of the City of Palmdale (the "Successor Agency") which will be binding upon the Successor Agency and the Underwriter upon the acceptance hereof by the Successor Agency. This offer is made subject to its acceptance by the Successor Agency by execution of this Purchase Agreement and its delivery to the Underwriter on or before 5:00 p.m., California time, on the date hereof. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

The Successor Agency acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Successor Agency and the Underwriter; (ii) in connection with such transaction, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Successor Agency; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Successor Agency on other matters) nor has it assumed any other obligation to the Successor Agency except the obligations expressly set forth in this Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Successor Agency; and (v) the Successor Agency has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Successor Agency for offering to the public, and the Successor Agency hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $_____ aggregate principal amount of the Successor

Agency's Tax Allocation Refunding Bonds, 2026 Series A (the "Bonds"), at a purchase price equal to $_____ (being the aggregate principal amount thereof less an Underwriter's discount of $_____ and plus a net original issue premium of $_____). [In addition, on behalf of the Successor Agency, the Underwriter shall wire the amount of $_____ to the Insurer (defined below) to pay the costs of the premiums for the Municipal Bond Insurance Policy and the Reserve Insurance Policy (as those terms are defined below).] The Bonds are to be purchased by the Underwriter from the Successor Agency. Such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the "Closing."

2. The Bonds and Related Documents. The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of an Indenture of Trust dated as of _____ 1, 2026, (the "Indenture"), between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), pursuant Part 1, Division 24 of the California Health and Safety Code (the "Law"), Parts 1.8 (commencing with Section 34161) and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and a resolution of the Successor Agency adopted on _____, 2026 (the "Successor Agency Resolution").

The issuance of the Bonds was approved by the Oversight Board for the Successor Agency by a resolution adopted on _____, 2026 (the "Oversight Board Resolution"). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is hereinafter called the "Official Statement"). The Bonds shall be subject to redemption in accordance with the provisions set forth in Exhibit A hereto. [A municipal bond insurance policy (the "Municipal Bond Insurance Policy") and a debt service reserve insurance policy (the "Reserve Insurance Policy") shall be purchased from [Insurer] (the "Insurer").]

The net proceeds of the Bonds will be used to pay and redeem: (i) the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series A (the "2016A Bonds"), which were issued by the Successor Agency in the aggregate principal amount of $31,490,000: (ii) and the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Subordinate Tax Allocation Refunding Bonds, 2016 Series B (the "2016B Bonds," and, together with the 2016A Bonds, the "Prior Bonds") which were issued by the Successor Agency in the aggregate principal amount of $41,645,000.

The Bonds will be payable from and secured by a pledge of "Pledged Tax Revenues" as defined in the Indenture.

[The payment of principal of and interest on the Bonds, when due, will be insured by the Municipal Bond Insurance Policy issued by the Insurer concurrently with the delivery of the Bonds.]

The Successor Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the "Disclosure Certificate") and executed by the Successor Agency, to provide certain annual information and notices

of the occurrence of certain enumerated events. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

The Indenture, the Disclosure Certificate and this Purchase Agreement are sometimes collectively referred to herein as the "Successor Agency Legal Documents."

3. Offering. It shall be a condition to the Successor Agency's obligations to sell and to deliver the Bonds to the Underwriter and to the Underwriter's obligations to purchase, to accept delivery of and to pay for the Bonds that the entire aggregate principal amount of the Bonds shall be issued, sold and delivered by the Successor Agency and purchased, accepted and paid for by the Underwriter at the Closing. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the initial public offering prices or yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement. The Underwriter reserves the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

4. Use and Preparation of Documents. The Successor Agency has caused to be prepared and delivered to the Underwriter prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____ , 2026, relating to the Bonds (the "Preliminary Official Statement"), which was approved by a resolution adopted on _____ , 2026 (the "Successor Agency OS Resolution"); and, together with the Successor Agency Resolution, the "Approving Resolutions."

5. Resolution. The Successor Agency ratifies, confirms and approves the use by the Underwriter prior to the date hereof of the Preliminary Official Statement. The Successor Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Successor Agency shall have executed and delivered to the Underwriter a certification to such effect in the form attached hereto as Exhibit B. The Successor Agency hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, but not less than one (1) business day prior to Closing a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Successor Agency and the Underwriter (the "Official Statement") to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending 25 days after the End of the Underwriting Period (defined below). The Successor Agency hereby approves of the use and distribution (including the electronic distribution) by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or "designated electronic format" (as defined in Municipal Securities Rule Making Board ("MSRB") Rule G-32); and as may be agreed by the Successor Agency and the Underwriter. If the Official Statement is prepared for distribution in electronic form, the Successor Agency hereby confirms that it does not object to distributions of the Official Statement in electronic form. The Underwriter agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied

or preceded by the delivery of a copy of the Official Statement (which may be in electronic form).

6. Representations, Warranties and Agreements of the Successor Agency. The Successor Agency hereby represents, warrants and agrees as follows:

(a) The Successor Agency is a public entity existing under the Constitution and laws of the State of California (the "State"), including the Law.

(b) The Successor Agency has full legal right, power and authority to enter into the Successor Agency Legal Documents and carry out and consummate the transactions contemplated by the Successor Agency Legal Documents.

(c) By all necessary official action of the Successor Agency prior to or concurrently with the acceptance hereof, the Successor Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Successor Agency Legal Documents, and the performance by the Successor Agency of all transactions contemplated by the Successor Agency Legal Documents; and the Successor Agency Legal Documents will constitute legal, valid and binding obligations of the Successor Agency, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(d) The Successor Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Successor Agency is a party or to which the Successor Agency or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Successor Agency Legal Documents, and compliance with the provisions on the Successor Agency's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or to which the Successor Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Successor Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture.

(e) Except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect

the due performance by, the Successor Agency of its obligations under the Successor Agency Legal Documents have been duly obtained.

(f) Between the date of this Purchase Agreement and the date of the Closing, the Successor Agency will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Pledged Tax Revenues (as defined in the Indenture), nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Successor Agency.

(g) To the best knowledge of the officer of the Successor Agency executing this Purchase Agreement, after due inquiry, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency, public board or body, pending or threatened against the Successor Agency, affecting the existence of the Successor Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection of the Pledged Tax Revenues or contesting or affecting, as to the Successor Agency, the validity or enforceability of the Approving Resolutions or the Successor Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Successor Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Successor Agency or which might materially adversely affect the Pledged Tax Revenues of the Successor Agency; nor, to the best knowledge of the Successor Agency, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Successor Agency of the Successor Agency Legal Documents.

(h) As of the time of acceptance hereof and as of the date of the Closing, the Successor Agency does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Pledged Tax Revenues of the Successor Agency superior to or on a parity with the lien provided for in the Indenture on the Pledged Tax Revenues, other than as disclosed in the Official Statement.

(i) As of the time of acceptance hereof and as of the date of the Closing, the Successor Agency has complied with the filing requirements of the Law, including, without limitation, the filing of all Recognized Obligation Payment Schedules, as required by the Law.

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-

only system, [the Insurer, the Municipal Bond Insurance Policy or the Reserve Insurance Policy]).

(k) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system).

(l) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information herein, in the light of the circumstances under which it was presented, not misleading, the Successor Agency will notify the Underwriter, and, if in the opinion of the Underwriter or the Successor Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriter, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Successor Agency will furnish such information with respect to itself as the Underwriter may from time to time reasonably request. As used herein, the term "End of the Underwriting Period" means the later of such time as: (i) the Successor Agency delivers the Bonds to the Underwriter; or (ii) the Underwriter does not retain, directly or as members of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be the date of Closing.

(m) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact required to be stated therein or necessary to make such information therein in the light of the circumstances under which it was presented, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system).

(n) After the Closing, the Successor Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by counsel for the Underwriter.

(o) Any certificate signed by any officer of the Successor Agency and delivered to the Underwriter shall be deemed a representation by the Successor Agency to the Underwriter as to the statements made therein.

(p) The Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement.

(q) The Successor Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Successor Agency is not a bond issuer whose arbitrage certifications may be relied upon.

(r) The Successor Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Underwriter, as they may reasonably request in order to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; provided, however, that the Successor Agency will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(s) The Successor Agency will refrain from taking any action with regard to which the Successor Agency may exercise control that results in the inclusion in gross income for federal income tax purposes of the interest on the Bonds or State of California income tax purposes of the interest on the Bonds.

(t) Except as disclosed in the Official Statement, each of the Successor Agency, and any other related affiliates have not failed to comply in any material respect with its obligations under any prior continuing disclosure undertaking within the past five years. [The Continuing Disclosure Compliance Analysis dated _____, 2026 of _____ prepared in connection with the issuance of the Bonds lists (1) all of the securities for which the Successor Agency, were obligated to provide continuing disclosure in the previous five years and (2) all "material"/enumerated events of which the Successor Agency, were obligated to provide notice in the previous five years.

(u) The Oversight Board has duly adopted the Oversight Board Resolution approving the issuance of the Bonds and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement.

(v) The Department of Finance of the State (the "DOF") has issued a letter, dated _____, 2026, approving the Oversight Board Resolution that approved the issuance of the Bonds (the "DOF Letter"). No further DOF approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the DOF directing or having any basis to direct the Auditor-Controller of Los Angeles County (the "County") to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Law.

(w) No consent is required from the Successor Agency's auditor for the audited financial statements of the Successor Agency to be appended to the Preliminary Official Statement and the final Official Statement.

7. Closing. At 8:00 A.M., California time, on _____, 2026, or on such other date as may be mutually agreed upon by the Successor Agency and the Underwriter, the Successor Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriter, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Best Best & Krieger, Los Angeles, California ("Bond Counsel"), or such other place as shall have been mutually agreed upon by the Successor Agency and the Underwriter, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriter in New York, New York, through the book-entry system of The Depository Trust Company ("DTC"). Unless the DTC Fast Automated Securities Transfer ("FAST") is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

8. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the Successor Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Successor Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Successor Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof, but in no event less than 1 day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such reasonable quantity as the Underwriter shall have requested;

(b) The representations and warranties of the Successor Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Successor Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Successor Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and shall be in full force and effect; and there shall

be in full force and effect such resolution or resolutions of the governing body of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Successor Agency relating to the Official Statement and the Successor Agency Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(i) Bond Counsel Opinion. The approving opinion of Bond Counsel to the Successor Agency, dated the date of the Closing and substantially in the form included as [Appendix __ to the Official Statement];

(ii) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter and which may also be addressed to other parties, in form and substance acceptable to the Underwriter, and dated the date of the Closing, stating that the Underwriter may rely on the opinion of Bond Counsel described in paragraph (i) above as if such opinion was addressed to the Underwriter and to the following effect:

(A) the Purchase Agreement has been duly executed and delivered by the Successor Agency and (assuming due authorization, execution and delivery by and validity against the Underwriter) constitutes the valid and binding agreement of the Successor Agency, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles;

(B) the statements contained in the Official Statement under the captions [“THE BONDS,” “SECURITY FOR THE BONDS,” “TAX MATTERS,” and in Appendices A and B] insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture or the opinion of Bond Counsel, are accurate in all material respects;

(C) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(D) the Successor Agency has taken all actions required to legally defease the payments due under the Prior Bonds and the Prior Bonds are no longer outstanding under and within the meaning of the respective documents authorizing the issuance thereof.

(iii) Municipal Advisor Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of Kosmont Financial Services, the Successor Agency's municipal advisor (the "Municipal Advisor") addressed to the Underwriter and the Successor Agency to the effect, that, in connection with its participation in the preparation of the Official Statement and without undertaking any independent investigation and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, nothing has come to the attention of the Municipal Advisor that would lead it to believe that the statements and information contained in the Official Statement as of the date thereof and the date of the Closing, contains an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(iv) Fiscal Consultant's Certificate. A certificate of HDL Coren & Cone (the "Fiscal Consultant"), dated the date of the Closing, addressed to the Successor Agency and the Underwriter, in form and substance acceptable to the Underwriter, (i) certifying as to the accuracy of (A) the information contained in [APPENDIX __—"FISCAL CONSULTANT REPORT," and the information in the Official Statement under the captions "SECURITY FOR THE BONDS—Tax Sharing Agreements," "—Section 33676 Payments" and "—Statutory Pass-Through Payments" and "THE PROJECT AREA,"] (ii) consenting to the inclusion of such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report.

(v) Successor Agency Counsel Opinion. An opinion of Counsel to the Successor Agency, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter to the following effect:

(A) The Successor Agency is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State, including the Law, with full right, power and authority to execute, deliver and perform its obligations under the Successor Agency Legal Documents;

(B) The Successor Agency Resolution and the Successor Agency OS Resolution were duly adopted at meetings of the Successor Agency, called and held pursuant to law, with all public notice required by law and at which quorums were present and acting throughout; and the Successor Agency Resolution and the Successor Agency OS Resolution are in full force and effect and have not been modified amended or rescinded since their respective adoption dates.

(C) The execution and delivery of the Successor Agency Legal Documents and the Official Statement and compliance with the provisions of the Successor Agency Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach of or default under any agreement or other instrument to which the Successor Agency is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Successor Agency a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Successor Agency is subject;

(D) To the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened, challenging the creation, organization or existence of the Successor Agency, or the validity of the Bonds, the Approving Resolutions or the Successor Agency Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Successor Agency would have a material adverse effect upon the financial condition or the revenues of the Successor Agency, or which, in any manner, questions the right of the Successor Agency to issue, sell and deliver the Bonds, to enter into the Indenture or to use the Pledged Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Successor Agency to collect or pledge the Pledged Tax Revenues.

(vi) Successor Agency Certificate. A certificate of the Successor Agency, dated the date of the Closing, signed on behalf of the Successor Agency by a duly authorized officer of the Successor Agency, to the effect that:

(A) The representations and warranties of the Successor Agency contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing.

(B) No event affecting the Successor Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(C) The Successor Agency is not, in any material respect, in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or is otherwise subject, which would

have a material adverse impact on the Successor Agency's ability to perform its obligations under the Successor Agency Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument.

(D) No further consent is required to be obtained for the inclusion of the Successor Agency's audited financial statements for the Fiscal Year ending June 30, 2025 in the Official Statement.

(vii) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(A) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture.

(B) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(C) The Trustee has accepted its responsibilities under the Indenture, and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(D) Except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the acceptance by the Trustee of its duties under the Indenture, or the consummation of the transactions contemplated by the Indenture.

(viii) Trustee's Certificate. A Certificate of the Trustee, dated the date of Closing, to the effect that:

(A) The Trustee is a national banking association duly organized and validly existing under the laws of the United States of America.

(B) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(C) The Trustee has accepted its responsibilities under the Indenture, and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(ix) Successor Agency Legal Documents. Executed copies of this Purchase Agreement and the other Successor Agency Legal Documents.

(x) Official Statement and Certificate. The Official Statement, approved by the Successor Agency, and a certificate, dated the date of the Preliminary Official Statement, of the Successor Agency, to the effect that, for purposes of compliance with the Rule, the Successor Agency deems the Preliminary Official Statement to be final as of its date (in the form attached hereto as Exhibit B).

(xi) CDIAC Notices. Copies of the preliminary and final notices to the California Debt and Investment Advisory Commission relating to the Bonds.

(xii) [Municipal Bond Insurance Policy. A copy of the Municipal Bond Insurance Policy.]

(xiii) [Reserve Fund Municipal Bond Insurance Policy. A copy of the Reserve Fund Municipal Bond Insurance Policy.]

(xiv) [Insurer Counsel Opinion. An opinion of counsel to the Insurer, addressed to the Successor Agency and the Underwriter to the effect that:

(A) The descriptions of the Insurer, the Municipal Bond Insurance Policy and the Reserve Fund Municipal Bond Insurance Policy included in the Official Statement are accurate.

(B) The Municipal Bond Insurance Policy and the Reserve Fund Municipal Bond Insurance Policy constitute legal, valid and binding obligations of the Insurer, enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or

limiting creditor's rights generally and by the application of equitable principles if equitable remedies are sought.

(C) As to such other matters as the Successor Agency or the Underwriter may reasonably request.]

(xv) [Insurer Certificate. A certificate of the Insurer, signed by an authorized officer of the Insurer, to the effect that:

(A) The information contained in the Official Statement relating to the Insurer, the Municipal Bond Insurance Policy and the Reserve Fund Municipal Bond Insurance Policy is true and accurate.

(B) As to such other matters as the Successor Agency or the Underwriter may reasonably request.]

(xvi) Rating Letter. A letter from [Standard & Poor's Credit Ratings Services ("S&P")] to the effect that the Bonds have been assigned [an insured rating of "____" and] an underlying rating of "____", which ratings shall be in effect as of the Closing Date.

(xvii) Disclosure Letter. A letter of Best Best & Krieger ("Disclosure Counsel"), dated the date of the Closing, addressed to the Underwriter, to the effect that, based upon its participation in the preparation of the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that, as of the date of the Closing, the Official Statement (excluding therefrom the reports, financial and statistical data and forecasts therein and the information included in the Appendices thereto and information relating to DTC, as to which no advice need be expressed) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(xviii) Approving Resolutions. A copy of the Approving Resolutions, together with a certificate of the Secretary of the Successor Agency to the effect that the Approving Resolutions were validly adopted, remain in full force and effect, and have not been amended, rescinded or otherwise modified since their respective dates of adoption.

(xix) Oversight Board Resolution. A copy of the Oversight Board Resolution.

(xx) Oversight Board Certificate. A certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(xxi) DOF Letter. A copy of the DOF Letter.

(xxii) Tax Certificate. A tax certificate or certificates with respect to maintaining the tax-exempt status of the Bonds, duly executed by the Successor Agency.

(xxiii) Underwriter's Counsel Opinion. An opinion of Stradling Yocca Carlson & Rauth LLP, as counsel to the Underwriter, in form and substance acceptable to the Underwriter.

(xxiv) Continuing Disclosure Compliance. A report of _____ in form and substance acceptable to the Underwriter as to compliance by the Successor Agency, and any other related affiliates with their continuing disclosure undertakings during the previous five years.

(xxv) Financial Advisor Report. Copies of all reports or other work product prepared by the Financial Advisor required to be prepared in connection with the Bonds pursuant to Section 34177.5(h) of the Law.

(xxvi) Verification Report. A report, dated the date of the Closing, of Robert Thomas CPA, independent certified public accountants (the "Verification Agent"), to the effect that it has verified the accuracy of the mathematical computations of the adequacy of the deposits in the escrow fund for the Prior Bonds for the full and timely payment of all principal (including premium, if any) and interest due with respect to the portion of the Successor Agency obligations to be defeased with the funds held pursuant to the Indenture, as are then outstanding on the dates specified in the Official Statement at the then applicable redemption price.

(xxvii) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Successor Agency or the Underwriter may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter.

If the Successor Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Successor Agency shall determine in good faith (and provide written notice to the Underwriter) that legislation has been introduced or proposals made by the Governor of the State which if enacted and effective would impose additional limitations or burdens on the Successor Agency or the County by reason of the issuance of the Bonds or which purport to prohibit the issuance of the Bonds, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter shall be under no further obligation hereunder.

9. Termination. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Successor Agency if at any time between the date hereof and prior to the Closing:

(a) any event shall occur which, in the reasonable opinion of the Underwriter, causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(c) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Successor Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(d) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(e) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that

obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(f) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to trade the Bonds; or

(g) a general banking moratorium shall have been established by federal or State authorities or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by orders of the Securities and Exchange Commission or any other governmental authority; or

(h) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds; or

(i) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by any of the following events or occurrences: (1) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, or (2) [any rating of the Insurer shall have been downgraded, suspended or withdrawn by a national rating service], or (3) there shall have been any official statement by a national rating service as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification), or (4) any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Successor Agency's obligations; or

(j) the commencement of any action, suit or proceeding described in Section 5(g) hereof which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(k) there shall exist any event which in the reasonable opinion of either of the entities comprising the Underwriter that either: (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement; or (ii) is not reflected in the Official Statement but should be reflected therein to make the statements and information contained therein not misleading in any material respect; or

(l) there shall be in force a general suspension of trading on the New York Stock Exchange.

10. Expenses. (a) The Underwriter shall be under no obligation to pay, and the Successor Agency shall pay, any expenses incident to the performance of the Successor Agency's obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Indenture and preparation, word processing, reproduction, printing and distribution costs relating to the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto (including the fees and expenses of Best Best & Krieger, disclosure counsel, attributable to the preparation of such document); (ii) the cost of preparation of the Bonds; (iii) the fees and disbursements of Bond Counsel and the fees and expenses of counsel to the Successor Agency; (iv) the fees and disbursements of the Financial Advisor and the Fiscal Consultant and any other experts, consultants or advisors retained by the Successor Agency; (v) the fees of the rating agencies; (vi) the costs of verifying compliance with Rule 15c2-12; and (vii) any out-of-pocket disbursements of the Successor Agency and of the Underwriter incurred in connection with the public offering and distribution of the Bonds, including any advertising expenses and expenses (included in the expense component of the Underwriter' compensation) incurred on behalf of the City's or the Successor Agency's employees which are incidental to implementing this Purchase Agreement including, but not limited to, meals, transportation and lodging of those employees.

The Underwriter shall pay, and the Successor Agency shall be under no obligation to pay, all expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

11. Notices. Any notice or other communication to be given to the Successor Agency under this Purchase Agreement may be given by delivering the same in writing at the Successor Agency's address set forth above; Attention: Executive Director, and to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Raymond James & Associates, Inc., 301 North Lake Avenue, Suite 1150, Pasadena, CA 91100, Attention: Managing Director.

12. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Successor Agency and the Underwriter and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Successor Agency contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

13. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Successor Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

14. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

15. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.,
as REPRESENTATIVE

By:_____
_____, Authorized Officer

Accepted:

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PALMDALE

By:_____
_____

EXHIBIT A

Bond Maturity Schedule

Maturity Date (September 1)	***Principal Amount***	***Coupon***	***Yield***	***Price***

* Term Bond.

Redemption Provisions:

EXHIBIT B

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Raymond James & Associates, Inc., (the "Underwriter") that [he/she] is a duly appointed and acting officer of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale (the "Successor Agency") authorized to execute this Certificate, and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Successor Agency to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the _____, 2026 Tax Allocation Refunding Bonds (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated as of _____ , 2026, setting forth information concerning the Bonds and the Successor Agency, as issuer of the Bonds (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Successor Agency shall promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of the ____ day of _____, 2026.

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE

By_____
Authorized Officer

kosmont financial services

Memorandum

To: **Successor Agency to the Community Redevelopment Agency of the City of Palmdale**

From: **Dan Massiello, Sr. Managing Director, Kosmont Financial Services**

cc: **Sal Mendez, City Manager; Janelle Samson, Deputy City Manager**

Date: **May 5, 2026**

RE: **Proposed Refunding of 2016 Tax Allocation Bonds**
Debt Service Savings Analysis

Staff has recommended that the Successor Agency to the Community Redevelopment Agency ("Successor Agency") approve a Resolution to refinance for savings the $31,490,000 Palmdale Community Redevelopment Agency, Subordinate Tax Allocation Refunding Bonds, Series 2016A, currently outstanding in the amount of $13,755,000, and the $41,645,000 Palmdale Community Redevelopment Agency, Subordinate Tax Allocation Refunding Bonds, Series 20016B, currently outstanding in the amount of $24,325,000 (collectively, the "2016 TABs"), issued by the Palmdale Community Redevelopment Agency (the "Former Agency").

Kosmont Financial Services. ("KFS") is the Successor Agency's Municipal Advisor for the proposed issuance of 2026 Tax Allocation Refunding Bonds (the "Refunding TABs") that will be issued to refinance the 2016 TABs. As shown in the table below, KFS has calculated that, as of April 15, 2026, the Refunding TABs are expected to produce aggregate debt service savings to the Successor Agency's Redevelopment Property Tax Trust Fund ("RPTTF") of approximately $2.3 million over the life of the Refunding TABs, which represents a savings of 5.23% of the 2016 TABs. Such RPTTF savings will be distributed to and shared among all Affected Taxing Entities.

Calculation of Estimated Debt Service Savings To Be Produced by Refunding the 2016 TABs

Debt Service Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
9/1/2026	$ 5,857,950	$ 5,857,950			
9/1/2027	$ 6,874,150		$ 6,874,150	$ 6,589,622	$ 284,528
9/1/2028	$ 4,970,400		$ 4,970,400	$ 4,681,250	$ 289,150
9/1/2029	$ 4,928,650		$ 4,928,650	$ 4,647,000	$ 281,650
9/1/2030	$ 4,929,900		$ 4,929,900	$ 4,646,000	$ 283,900
9/1/2031	$ 4,731,650		$ 4,731,650	$ 4,446,250	$ 285,400
9/1/2032	$ 4,728,400		$ 4,728,400	$ 4,442,250	$ 286,150
9/1/2033	$ 4,770,400		$ 4,770,400	$ 4,489,250	$ 281,150
9/1/2034	$ 4,158,000		$ 4,158,000	$ 3,869,250	$ 288,750
Total	$ 45,949,500	$ 5,857,950	$ 40,091,550	$ 37,810,872	**$ 2,280,678**

Please let us know if you have any questions or require additional information.

Joint Staff Report

DATE: **MAY 5, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**
HONORABLE CHAIR AND COMMISSIONERS
HONORABLE CHAIR AND MEMBERS
HONORABLE CHAIR AND DIRECTORS

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **PRESENTATION OF CITY OF PALMDALE DRAFT BUDGET FOR FISCAL YEAR 2026-27**

RECOMMENDATION

Staff recommend that the Legislative Bodies:

1. Review the draft budget and provide recommendation for adoption.

BACKGROUND

The City is required to adopt an operational budget each year that serves as the City's financial plan for the Fiscal Year beginning July 1 through June 30; and defines the City's priorities for providing services to the community.

According to the Palmdale Municipal Code: Chapter 3.04 Budget Adoption Procedures, the City Manager shall submit a proposed budget to the City Council no later than May 31 each year. Additionally, the City Council shall conduct a public hearing on the proposed budget before adoption and shall adopt a budget prescribing the City's spending policy for the ensuing fiscal year annually on or before the thirtieth day of June.

DISCUSSION

In alignment with the City's strategic plan, the draft Annual Budget for Fiscal Year 2026-27 is presented for your review and consideration.

The draft budget represents spending plans for all City funds, including General Fund, Special Revenue Funds, Capital Project Funds, Internal Service Funds, and Enterprise Funds.

GENERAL FUND

Revenues

1. Property Taxes are anticipated to increase by 3% due to increases in the property tax base resulting from increased valuations and new development within the City.
2. Sales Taxes are expected to increase by 3%, which includes the City's 1% Bradley Burns sales tax, along with Measure PD, which implemented a 0.75% increase, effective April 1, 2025.
3. Use of Property revenues is expected to decrease by 2%, primarily due to changes in leases of City-owned property and facility rental fees.
4. Licenses and permits are expected to remain relatively flat, with minimal change anticipated in development activity and permit issuance.
5. Development-related service charges are projected to decrease by approximately 5.7%. This reduction reflects lower anticipated revenues due to the timing and phasing of current developments, a slowdown in new development activity within the City, and the deferral of certain fees to comply with State of California requirements.
6. Fines and forfeitures are projected to increase by approximately 14%, driven by higher anticipated parking citation revenues associated with the implementation of street sweeping enforcement.
7. Other revenues are projected to decrease by approximately 63%, primarily due to one-time revenues budgeted in FY 2025–26 that did not materialize. Revenues for FY 2027 are expected to return to typical levels consistent with prior years.
8. Transfer-in revenues are projected to decrease by approximately 65%, primarily due to a reduction in General Fund support for the City's self-insured medical and liability programs, including administrative fees, following the one-time funding associated with large settlements in FY 2025–26 that are not expected to recur.

Expenditures

1. Salaries and benefits are expected to increase by 0.6% year over year. Salaries reflect a 4.8% increase to fully funded positions that have been filled or are currently in recruitment phases and include a proposed 4% cost of living increase to employees. This increase is partially offset by a reduction in benefits costs resulting from a decrease in the CalPERS normal cost rate from 11.43% to 10.19%, as reflected in the most recent CalPERS actuarial report.
2. The LA County Sheriff Contract is expected to increase by 2.3%. However, the contract cost is being covered by multiple funding sources, including the General Fund and Measure AV.

3. The LA County Animal Care and Control contract is projected to increase by approximately $846,000, primarily due to rising contract costs associated with updated cost allocation methodologies and increased service demand, such as higher call volumes, animal intake, and enforcement activity. Costs.
4. Program expenses are projected to increase by approximately 128.6%, primarily due to the allocation of funding for the Mobile Home Rehabilitation Program and the Neighborhood Improvement Program.
5. Transfers to Reserves for FY 2026-27 include:
    a. $1 million contribution to the Section 115 Pension Trust Fund to stabilize fluctuations in CalPERS rates;
    b. $535,000 to fund the ongoing capital costs relating to maintenance and improvements of Drytown Water Park;
    c. $250,000 to fund repair and replacement reserves for the Information Technology internal service fund; and,
    d. $250,000 to fund repair and replacement reserves for the Fleet Maintenance internal service fund.

MEASURE AV

Based on economic trends and projections performed by the City's sales tax consultants, Measure AV is expected to generate approximately $24.4 million in FY 2026-27.

Below are some highlights of programs proposed for funding under Measure AV:

1. The LA County Sheriff Contract is expected to increase by 2.3%. However, the contract cost is being covered by multiple funding sources, including the General Fund and Measure AV.
2. Beautification, Infrastructure, and Capital Improvement Program (CIP) expenditures are projected to decrease by approximately 77.8%, reflecting fewer new capital improvement project requests, while previously budgeted multi-year projects will continue through carry-forward funding.
3. Community programs are projected to increase by approximately 22%, primarily due to additional funding allocated to SAVES to support ongoing community services.
4. Economic Development expenditures are projected to increase by approximately 128%, primarily due to funding allocated for land acquisition, film incentives, and business retention efforts.

SPECIAL REVENUE FUNDS

Special Revenue and other funds include transportation funds, grants, and other restricted funding. The use of money in certain funds is governed by memorandums of understanding, contracts, or law. Required audits are conducted each year to ensure compliance with granting agencies.

One of the City's largest sources of revenue for maintaining, repairing, and improving streets and facilities is transportation funding. These are sales tax revenues collected by the State or County and allocated to the City based on a percentage of the population.

The table below shows the FY 2026-27 proposed Transportation fund expenditures:

Transportation Funds	FY 2025-26 Revised Budget	FY 2026-27 Draft Budget
Gas Tax Fund	$15,761,840	$3,893,050
Prop A Fund	12,972,580	7,460,710
Prop C Fund	16,596,940	11,194,650
Local Transp Fund Art 3	204,930	0
Local Transp Fund Art 8	10,563,830	8,644,850
Measure R Fund	86,326,510	1,500,000
Measure M Fund	7,467,680	2,888,840
Expenditure Total	**$149,894,310**	**$35,582,100**

The City uses these funds specifically to fund street repair, maintenance, and improvement activities such as traffic engineering, geographical information system software, and staffing, bus stop and transportation center maintenance, and public works staffing. Depending on the funding source, balances may carry over from year to year to complete larger projects.

CAPITAL IMPROVEMENT PROGRAM

The proposed FY 2026-27 Capital Improvement budget includes various projects totaling $292.5 million. Many of the proposed projects are multi-year, and the total amount represents funds carried forward from year to year through the life of the projects and may not be fully expended in the single year shown. Capital improvement projects are funded primarily through grants and other restricted funds. The attached schedule comprehensively lists all previously approved and proposed capital improvement projects.

PERSONNEL

To maintain and enhance certain services, personnel additions are necessary. In addition to adding personnel, the City is working to become more competitive in the tight job market we face. As such, we are proposing to continue the following additional benefits:

- Deferred compensation match of $1,200 per year for all full-time employees;
- Wellness incentive of $500 per Fiscal Year for all full-time employees; and,
- Bilingual pay of $100 per month for eligible full-time and part-time staff.

The draft FY 2026-27 budget proposes 6 new positions, including 1 bargaining unit employee in the Public Works Maintenance division.

CONCLUSION

The draft FY 2026-27 Budget reflects the City's strong commitment to the well-being and prosperity of our community. While expenditures continue to outpace revenues, our focus on responsible fiscal management ensures that essential programs and services remain stable and sustainable.

This budget prioritizes public safety, quality-of-life improvements, and infrastructure investment, responding directly to the evolving needs of our residents. By focusing on these core areas, we aim to create a safe and vibrant environment for everyone.

We also recognize that a budget must remain flexible. As a living document, it will be refined as circumstances change. Through continued collaboration and thoughtful decision-making, we will adapt our financial strategies to best serve the community.

We thank all stakeholders for their input and support throughout this process. Through sound fiscal practices and forward-thinking solutions, we are prepared to meet future challenges and build a stronger, more inclusive city.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action. The Fiscal Year 2026-27 Operating Budget will serve as the financial guideline for program implementation for the upcoming year. The proposed budget complies with all Financial Policies, including the General Fund Reserve Requirement. 30% General Fund reserves are being proposed for FY 2026-27. It is anticipated that revenues will be sufficient to cover the expenditures proposed.

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.

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Rpt. Draft Budget FY 2026-27
PPT Draft Budget FY 2026-27

Annual Budget

FISCAL YEAR
26-27

DRAFT



PALMDALE®
a place to call home

CITY OF PALMDALE
FIVE YEAR GENERAL FUND AND CONSOLIDATED FUNDS PROJECTION

						YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		FY 2024 Actuals	FY 2025 Actuals	FY 2026 YTD Actuals	FY 2026 Revised	FY 2027 Proposed	FY 2028 Projected	FY 2029 Projected	FY 2030 Projected	FY 2031 Projected
1	**BEGINNING FUND BALANCE**	92,576,350	102,985,207	105,804,528	105,804,528	97,206,778	98,223,078	104,056,658	104,056,658	109,671,348
2	REVENUES/TRANSFERS IN									
3	Property Tax	31,453,857	32,877,163	17,549,735	33,387,890	34,468,920	36,192,370	38,001,990	38,001,990	39,902,090
4	Sales And Use Tax	27,486,027	32,637,257	30,295,960	50,384,610	51,726,520	53,278,320	54,876,670	54,343,890	55,974,200
5	Transient Occupancy Tax	5,096,411	4,888,140	2,923,221	5,302,310	5,350,000	5,457,000	5,566,140	5,566,140	5,677,460
6	Franchise Fees	8,574,370	9,415,496	8,517,599	9,731,100	9,683,100	9,876,760	10,074,300	10,275,790	10,481,310
7	Use Of Property	3,892,008	1,947,369	1,577,018	3,388,130	3,319,300	3,385,690	3,453,400	3,522,470	3,592,920
8	License And Permits	6,723,302	5,523,479	4,565,995	5,466,440	5,470,040	5,579,440	5,691,030	5,804,850	5,920,950
9	Charges For Services	1,344,006	1,463,929	1,217,660	1,602,550	1,613,650	1,678,200	1,745,330	1,815,140	1,887,750
10	Development Charges For Services	2,944,663	3,051,516	2,348,089	3,278,700	3,091,850	3,184,610	3,280,150	3,378,550	3,479,910
11	Fines And Forfeitures	1,577,663	6,297,864	205,148	823,750	942,420	989,540	1,029,120	1,070,280	1,113,090
12	Other Revenue	12,632,441	11,408,521	9,619,156	10,712,050	3,869,000	6,000,000	6,000,000	6,000,000	6,000,000
13	Transfer In	14,493,144	6,303,267	-	24,262,200	8,545,300	8,545,500	8,545,500	8,545,500	8,545,500
14	**Total Revenues**	**119,506,150**	**116,641,283**	**78,819,581**	**148,339,730**	**128,080,100**	**134,167,430**	**138,263,630**	**138,324,600**	**142,575,180**
15	EXPENDITURES/TRANSFERS OUT									
16	Salaries & Benefits	24,908,441	26,812,903	23,499,689	32,629,470	33,219,680	34,216,270	34,900,600	35,598,620	36,310,590
17	Organizational Development	518,233	579,026	461,839	839,050	722,440	729,660	736,960	744,330	751,770
18	Operating	24,259,852	15,505,136	13,292,135	17,687,600	14,439,340	14,728,130	15,022,690	15,323,140	15,629,600
19	Contract Services	14,961,012	21,083,365	14,664,117	26,821,570	26,867,590	27,404,940	27,953,040	28,512,100	29,082,340
20	Capital Outlay	2,494,167	6,527,795	1,720,377	15,839,250	669,140	1,500,000	1,500,000	1,500,000	1,500,000
21	County Contracts - Law Enforcement	18,079,108	19,361,442	13,218,147	22,107,020	20,123,650	22,136,020	24,349,620	26,784,580	29,463,040
22	County Contracts - Liability	3,307,590	3,627,440	2,486,427	3,729,640	3,785,590	4,088,440	4,415,520	4,768,760	5,150,260
23	County Contracts - Animal Control	2,251,652	2,952,531	2,736,497	4,320,000	5,166,220	5,269,540	5,374,930	5,482,430	5,592,080
24	Utilities	2,259,654	2,769,380	1,898,893	3,282,090	3,238,670	3,368,220	3,502,950	3,643,070	3,788,790
25	Debt Service	6,181,732	2,295,189	2,164,835	4,622,250	4,612,630	4,612,630	4,612,630	4,612,630	4,612,630
26	Transfers Out/Internal Svc Alloc.	8,859,353	10,037,756	-	23,539,540	12,183,850	8,000,000	8,000,000	8,000,000	8,000,000
27	Transfer Out to Reserves	1,016,500	2,270,000	-	1,520,000	2,035,000	2,280,000	2,280,000	2,280,000	2,280,000
28	**Total Expenditures**	**109,097,293**	**113,821,962**	**76,142,956**	**156,937,480**	**127,063,800**	**128,333,850**	**132,648,940**	**137,249,660**	**142,161,100**
29	Surplus/(Deficit) (Revenue - Expenditures)	10,408,857	2,819,321	2,676,625	(8,597,750)	1,016,300	5,833,580	5,614,690	1,074,940	414,080
30	**FUND BALANCE BEFORE RESERVES/RESTRICTIONS**	**102,985,207**	**105,804,528**		**97,206,778**	**98,223,078**	**104,056,658**	**109,671,348**	**105,131,598**	**110,085,428**
31	**20 % Reserve Requirement (30% Recommended)**	**32,729,188**	**34,146,589**		**47,081,244**	**38,119,140**	**38,500,155**	**39,794,682**	**41,174,898**	**42,648,330**
32	Restricted, Nonspendable and Assigned	**22,594,028**	**35,000,000**		**35,000,000**	**35,000,000**	**35,000,000**	**35,000,000**	**35,000,000**	**35,000,000**
33	**ENDING AVAILABLE BALANCE**	**47,661,991**	**36,657,939**		**15,125,534**	**25,103,938**	**30,556,503**	**34,876,666**	**28,956,700**	**32,437,098**

CITY OF PALMDALE
ESTIMATED FUND BALANCE
FISCAL YEAR 2026

Fund	Fund Description	FY 2026 Estimated Beginning Available Fund Balance	FY 2026 Revenues	FY 2026 Operating Expenditures	FY 2026 Capital Expenditures	Reserve Requirement	Nonspendable, Restricted and Assigned	FY 2026 Projected Ending Available Fund Balance
101, 150, 151	General Fund	105,804,527	148,339,730	141,674,250	15,263,230	47,081,244	35,000,000	15,125,533
153	Information Technology	2,229,613	5,534,130	5,931,910	-			1,831,833
154	Fleet Maintenance	5,819,463	4,686,910	5,663,010	-			4,843,363
156	Public Art Fund	1,852,343	250,000	314,160	212,940			1,575,243
157	Measure AV	22,759,039	23,654,330	16,663,630	20,591,100	3,725,473		5,433,166
158	American Rescue Funds	3,968,971	11,574,970	1,963,520	9,989,150			3,591,271
200	PEG Fund	775,366	120,000	804,740	-			90,626
201	Gas Tax Fund	11,152,871	7,200,840	4,177,850	11,583,990			2,591,871
202	Public Safety Fund	2,510,712	742,000	582,000	-			2,670,712
203	Prop A Fund	11,286,894	4,545,430	4,909,120	8,063,460			2,859,744
204/214	Prop C Funds	13,174,147	11,457,470	2,317,100	14,279,840			8,034,677
205	Air Quality Improvement Fund	364,675	253,510	-	211,750			406,435
206	Local Transp Fund Art 3	160,799	133,630	-	204,930			89,499
207	Local Transp Fund Art 8	(2,562,962)	13,521,710	9,061,010	1,502,820			394,918
208/218	Measure R Funds	(4,152,390)	101,057,310	-	86,326,510			10,578,410
209/219	Measure M Funds	10,154,812	8,886,580	-	7,467,680			11,573,712
210	Road Maint & Rehab Acct Fund	6,776,623	4,490,150	-	10,392,570			874,203
211	Measure A LA County Parks	(100,047)	1,659,290	33,250	1,525,990			3
220	Park Development Fund	1,766,581	2,325,000	150,000	1,199,990			2,741,591
221	Traffic Impact Fund	2,708,751	860,000	-	100,000			3,468,751
222-230	Drainage Funds	16,467,462	1,785,250	287,900	9,371,980			8,592,832
227	Fire Facilities Impact Fund	11,363,152	775,000	35,000	-			12,103,152
228	Sewer Upgrade Fund	508,938	10,000	-	421,900			97,038
229	Public Facilities Fund	2,222,173	515,000	-	644,830			2,092,343
240	Federal Funds Fund	(5,472,203)	20,779,610	59,600	15,247,810			(3)
241	State Grants Fund	(1,333,617)	3,413,820	1,009,470	1,070,730			3
242	Misc Grant/Developer Contrib	2,969,593	2,288,180	1,314,910	4,904,410			(961,547)
243	Federal Home Program	8,077,895	597,630	903,870	-			7,771,655
244	Federal Jobs Programs	(20,362)	127,360	107,000	-			(2)
245	HOME ARP Fund	(9,541)	520,000	510,460	-			(1)
250	Park Assessments Fund	3,836,399	3,233,200	3,256,440	300,000			3,513,159
251	Landscape Maintenance Fund	14,897,175	7,935,430	10,497,230	792,030			11,543,345
252	Street Lighting Assmnt Distr	4,554,886	2,615,140	1,322,080	-			5,847,946
253	Drainage Benefit Assessment	1,739,471	256,400	54,760	-			1,941,111
254	Sewer Maint Assessment Dist	39,458,127	6,686,920	7,198,440	9,359,120	11,837,438		17,750,049
255	Street Light County District	19,446,224	8,561,410	4,818,740	-			23,188,894
256	Street Light Dist #2 Anaverde	1,054,454	374,590	243,720	-			1,185,324
257	Street Light Dist #3 Ritter	345,787	147,230	122,480	-			370,537
258	Enhanced Infrastructure Financing Dist.	1,137,989	560,000	50,000	-			1,647,989
259	CFD 2022-1 Maintenance Service Dist.	5,915	64,100	22,690	-			47,325
260	Solid Waste	1,409,165	1,327,520	1,434,000	-			1,302,685
280	CDBG Fund	2,372,209	1,779,980	1,885,200	2,215,450			51,539
281	SAVES Grant Fund	(16,856)	50,000	25,000	-			8,144
291	Housing Authority Fund	1,572,904	1,901,460	1,872,450	-			1,601,914
292	Housing Facilities Fund	(176,108)	8,784,850	8,382,270	-			226,472
293	Housing Asset Fund	49,137,340	1,989,630	3,678,110	-			47,448,860
300	Water Park	4,049,505	2,633,200	2,235,350	596,540			3,850,815
350	Palmdale CCA	1,303,335	71,104,520	70,436,310	-	1,897,690		73,855
460	Successor Agency	6,999,926	79,831,910	71,537,140	-			15,294,696
480	AD88-1 10Th St West Improv	(65,787)	65,790	-	-			3
481	AD90-2 7Th St West Improvement	146,247	-	109,480	-			36,767
482	CFD 2003-1 Improvement Fund	13,096	-	-	-			13,096
483	CFD 91-1 Sierra Gateway Improv	173,718	8,000	-	-			181,718
484	CFD 93-1 Ritter Ranch Impr Fund	2,921,810	125,000	-	-			3,046,810
487	CFD 2022-3 Ritter Redemption	51,111	53,870	3,000	-			101,981
525	Debt Svc-PFA	6,297,720	5,647,220	5,650,720	-			6,294,220
580	OPEB Fiduciary Trust Funds	4,903,656	325,000	350,000	-			4,878,656
710	Palmdale Community Foundation	215,879	53,000	59,140	-			209,739
730	AD 88-1 10Th St West Redemption	97,666	5,000	65,790	-			36,876
732	AD 90-2 7Th St West Redemption	(109,477)	109,480	-	-			3
733	AD 87-1 Rancho Vista Rdmpt Fund	141,382	2,000	-	-			143,382
734	CFD 03-1 Anaverde Redemption	2,058,345	1,553,000	1,529,320	-			2,082,025
735	CFD 2005-1 Redemption Fund	1,916,325	1,127,400	978,830	-			2,064,895
736	CFD 91-1 Sierra Gateway Redempt	(107,145)	88,660	36,590	-			(55,075)
737	AD 91-2 52Nd St West Redemption	25,045	500	-	-			25,545
738	CFD 93-1 Ritter Ranch Rdmpt Fnd	207,325	15,000	28,790	-			193,535
739	AD 2006-01 Godde Hill Rdmp Fd	304,125	156,480	141,310	-			319,295
740	CFD 16-1 Joshua Ranch Wtr Rdmp	2,749,156	886,070	863,400	-			2,771,826
741	CFD 2022-2 Ritter Ranch Improv	85,998	131,610	11,080	-			206,528
	Total	**406,378,318**	**592,295,410**	**397,373,620**	**233,840,750**	**64,541,845**	**35,000,000**	**267,917,512**

CITY OF PALMDALE
ESTIMATED FUND BALANCE
FISCAL YEAR 2027

Fund	Fund Description	FY 2027 Estimated Beginning Available Fund Balance	FY 2027 Revenues	FY 2027 Operating Expenditures	FY 2027 Capital Expenditures	Reserve Requirement	Nonspendable, Restricted and Assigned	FY 2027 Projected Ending Available Fund Balance
101, 150, 151	General Fund	97,206,777	128,080,100	126,663,800	400,000	38,119,140	35,000,000	25,103,937
153	Information Technology	1,831,833	6,530,390	5,691,480	-	2,220,000		450,743
154	Fleet Maintenance	4,843,363	2,061,960	4,438,860	-	1,000,000		1,466,463
156	Public Art Fund	1,575,243	250,000	427,290	-			1,397,953
157	Measure AV	9,158,639	24,377,710	21,883,170	2,500,000	7,314,951		1,838,228
158	American Rescue Funds	3,591,271	-	-	-			3,591,271
200	PEG Fund	90,626	120,000	204,740	-			5,886
201	Gas Tax Fund	2,591,871	5,279,030	3,693,050	200,000			3,977,851
202	Public Safety Fund	2,670,712	732,000	432,000	-			2,970,712
203	Prop A Fund	2,859,744	4,625,660	5,360,710	2,100,000			24,694
204/214	Prop C Funds	8,034,677	4,334,490	1,994,650	9,200,000			1,174,517
205	Air Quality Improvement Fund	406,435	407,500	-	400,000			413,935
206	Local Transp Fund Art 3	89,499	141,460	-	-			230,959
207	Local Transp Fund Art 8	394,918	8,288,190	8,231,410	413,440			38,258
208/218	Measure R Funds	10,578,410	2,872,120	-	1,500,000			11,950,530
209/219	Measure M Funds	11,573,712	3,335,070	-	2,888,840			12,019,942
210	Road Maint & Rehab Acct Fund	874,203	4,759,780	-	4,500,000			1,133,983
211	Measure A LA County Parks	3	4,350,490	1,966,750	2,383,740			3
220	Park Development Fund	2,741,591	730,000	-	250,000			3,221,591
221	Traffic Impact Fund	3,468,751	860,000	-	-			4,328,751
222-230	Drainage Funds	8,592,832	1,094,750	550,000	607,680			8,529,902
227	Fire Facilities Impact Fund	12,103,152	775,000	35,000	-			12,843,152
228	Sewer Upgrade Fund	97,038	10,000	-	-			107,038
229	Public Facilities Fund	2,092,343	515,000	-	-			2,607,343
240	Federal Funds Fund	(3)	30,341,760	59,600	30,282,160			(3)
241	State Grants Fund	3	4,252,870	4,252,870	-			3
242	Misc Grant/Developer Contrib	(961,547)	12,577,550	8,887,240	-			2,728,763
243	Federal Home Program	7,771,655	3,870,100	3,913,930	-			7,727,825
244	Federal Jobs Programs	(2)	107,000	107,000	-			(2)
245	HOME ARP Fund	(1)	1,570,260	1,570,260	-			(1)
250	Park Assessments Fund	3,513,159	3,251,950	651,980	-			6,113,129
251	Landscape Maintenance Fund	11,543,345	8,269,850	10,327,610	-			9,485,585
252	Street Lighting Assmnt Distr	5,847,946	2,676,540	1,327,120	-			7,197,366
253	Drainage Benefit Assessment	1,941,111	260,150	54,760	-			2,146,501
254	Sewer Maint Assessment Dist	29,587,487	6,707,220	4,047,360	-	8,876,246		23,371,101
255	Street Light County District	23,188,894	8,640,640	4,752,920	-			27,076,614
256	Street Light Dist #2 Anaverde	1,185,324	381,200	253,810	-			1,312,714
257	Street Light Dist #3 Ritter	370,537	149,030	123,450	-			396,117
258	Enhanced Infrastructure Financing Dist.	1,647,989	580,000	100,000	-			2,127,989
259	CFD 2022-1 Maintenance Service Dist.	47,325	55,990	23,140	-			80,175
260	Solid Waste	1,302,685	736,290	1,036,040	-			1,002,935
280	CDBG Fund	51,539	4,645,800	2,607,750	1,000,000			1,089,589
281	SAVES Grant Fund	8,144	50,000	50,000	-			8,144
291	Housing Authority Fund	1,601,914	1,901,460	1,859,310	-			1,644,064
292	Housing Facilities Fund	226,472	8,378,100	8,604,570	-			2
293	Housing Asset Fund	47,448,860	2,193,630	12,836,450	-			36,806,040
300	Water Park	3,850,815	2,942,770	2,565,600	-			4,227,985
350	Palmdale CCA	1,971,545	73,258,260	71,931,070	-	2,157,930		1,140,805
460	Successor Agency	15,294,696	78,334,250	70,976,570	-			22,652,376
480	AD88-1 10Th St West Improv	3	-	-	-			3
481	AD90-2 7Th St West Improvement	36,767	-	-	-			36,767
482	CFD 2003-1 Improvement Fund	13,096	-	-	-			13,096
483	CFD 91-1 Sierra Gateway Improv	181,718	8,000	-	-			189,718
484	CFD 93-1 Ritter Ranch Impr Fund	3,046,810	125,000	-	-			3,171,810
487	CFD 2022-3 Ritter Redemption	101,981	54,950	5,250	-			151,681
525	Debt Svc-PFA	6,294,220	4,993,750	4,997,250	-			6,290,720
580	OPEB Fiduciary Trust Funds	4,878,656	345,000	350,000	-			4,873,656
710	Palmdale Community Foundation	209,739	57,340	97,050	-			170,029
730	AD 88-1 10Th St West Redemption	36,876	5,000	-	-			41,876
732	AD 90-2 7Th St West Redemption	3	-	-	-			3
733	AD 87-1 Rancho Vista Rdmpt Fund	143,382	2,000	-	-			145,382
734	CFD 03-1 Anaverde Redemption	2,082,025	1,584,000	1,534,940	-			2,131,085
735	CFD 2005-1 Redemption Fund	2,064,895	1,149,910	980,120	-			2,234,685
736	CFD 91-1 Sierra Gateway Redempt	(55,075)	1,000	23,240	-			(77,315)
737	AD 91-2 52Nd St West Redemption	25,545	500	-	-			26,045
738	CFD 93-1 Ritter Ranch Rdmpt Fnd	193,535	15,000	22,570	-			185,965
739	AD 2006-01 Godde Hill Rdmp Fd	319,295	159,410	139,010	-			339,695
740	CFD 16-1 Joshua Ranch Wtr Rdmp	2,771,826	903,490	861,400	-			2,813,916
741	CFD 2022-2 Ritter Ranch Improv	206,528	134,240	11,160	-			329,608
	Total	**367,459,358**	**470,201,960**	**403,515,310**	**58,625,860**	**59,688,267**	**35,000,000**	**280,831,880**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-ALL FUNDS

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
60	PROPERTY TAXES	102,920,260	111,649,024	56,546,376	102,619,000	114,614,500	114,168,920	(445,580)	-0.4%
61	SALES & USE TAXES	64,072,078	69,634,784	54,490,170	88,509,840	87,098,040	89,416,570	2,318,530	2.7%
62	OTHER TAXES	8,827,064	9,245,329	6,544,272	9,214,850	9,269,540	9,627,810	358,270	3.9%
63	TRANSIENT OCC TAX	5,096,411	4,888,140	2,923,221	5,302,310	5,302,310	5,350,000	47,690	0.9%
64	FRANCHISE FEES	8,739,108	9,477,594	8,633,425	9,798,100	9,851,100	9,803,100	(48,000)	-0.5%
65	GRANTS	18,905,927	25,365,821	13,660,505	160,626,720	167,094,470	66,161,340	(100,933,130)	-60.4%
66	DEVELOPER CONTRIB	40,940	15,339	-	50,000	50,000	50,000	-	0.0%
67	COUNTY CONTRIB	117,111	157,886	2,007,185	7,364,170	4,666,550	2,979,990	(1,686,560)	-36.1%
68	STATE CONTRIBUTIONS	-	-	-	1,000	1,000	1,000	-	0.0%
69	OTHER AGENCY CONTRIB	75,102	1,298,359	743,019	4,106,310	939,940	4,062,310	3,122,370	332.2%
71	USE OF PROPERTY	22,579,371	25,311,424	18,227,512	19,539,010	18,389,220	18,296,110	(93,110)	-0.5%
72	FAIR VALUE OF INVEST	7,784,341	6,205,196	-	-	-		-	0.0%
75	PARK DEVELOPMENT FEE	677,938	941,198	597,041	1,500,000	2,275,000	680,000	(1,595,000)	-70.1%
76	DRAINAGE FEES	5,085,662	761,622	1,260,901	900,000	1,540,000	1,000,000	(540,000)	-35.1%
77	SEWER UPGRADE FEES	(3,195)	(3,235)	1,140	2,200	3,400	3,700	300	8.8%
78	TRAFFIC IMPACT FEES	2,025,899	878,735	628,144	850,000	850,000	850,000	-	0.0%
79	FACILITY IMPACT FEE	2,028,686	760,967	511,565	1,200,000	1,200,000	1,200,000	-	0.0%
80	LICENSES AND PERMITS	6,817,746	5,661,757	4,664,743	5,576,440	5,582,240	5,585,840	3,600	0.1%
81	CHRGS FOR SERVICES	71,502,308	81,239,565	48,279,989	75,566,070	75,638,650	78,016,280	2,377,630	3.1%
82	DEV CHRGS FOR SVCS	3,281,263	3,308,986	2,539,396	3,637,850	3,528,700	3,341,850	(186,850)	-5.3%
83	FINES & FORFEITURES	1,850,430	1,612,365	505,708	1,321,030	1,194,530	1,309,570	115,040	9.6%
84	SPECIAL ASSESSMENTS	25,088,291	25,360,441	14,067,157	25,635,900	31,118,870	31,546,900	428,030	1.4%
90	OTHER - REVENUE	13,137,666	12,158,774	10,059,732	20,369,830	12,112,700	5,178,040	(6,934,660)	-57.3%
93	BOND PROCEEDS (OFS)	40,930,000	-	-	-	-		-	0.0%
95	GN/LS-SALE OF ASSET	82,891	180,725	-	-	-		-	0.0%
97	CAPITAL LEASE PROCEE	419,161	-	-	-	-		-	0.0%
98	TRANSFERS IN	24,036,452	23,052,536	-	27,704,050	39,974,650	21,572,630	(18,402,020)	-46.0%
Grand Total		**436,118,912**	**419,163,329**	**246,891,201**	**571,394,680**	**592,295,410**	**470,201,960**	**(122,093,450)**	**-20.6%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-GENERAL FUND

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
60	PROPERTY TAXES	31,453,857	32,877,163	17,549,735	33,386,390	33,387,890	34,468,920	1,081,030	3.2%
61	SALES & USE TAXES	27,486,027	32,637,257	30,295,960	51,382,740	50,384,610	51,726,520	1,341,910	2.7%
63	TRANSIENT OCC TAX	5,096,411	4,888,140	2,923,221	5,302,310	5,302,310	5,350,000	47,690	0.9%
64	FRANCHISE FEES	8,574,370	9,415,496	8,517,599	9,728,100	9,731,100	9,683,100	(48,000)	-0.5%
65	GRANTS	25,000	-	-	-	-		-	0.0%
69	OTHER AGENCY CONTRIB	40,250	31,000	358,250	50,000	358,250	50,000	(308,250)	-86.0%
71	USE OF PROPERTY	3,924,355	4,228,503	1,577,018	3,557,630	3,388,130	3,319,300	(68,830)	-2.0%
72	FAIR VALUE OF INVEST	3,288,258	1,923,086	-	-	-		-	0.0%
80	LICENSES AND PERMITS	6,723,302	5,523,479	4,565,995	5,461,440	5,466,440	5,470,040	3,600	0.1%
81	CHRGS FOR SERVICES	1,344,006	1,463,929	1,217,660	1,492,130	1,602,550	1,613,650	11,100	0.7%
82	DEV CHRGS FOR SVCS	2,944,663	3,051,516	2,348,089	3,387,850	3,278,700	3,091,850	(186,850)	-5.7%
83	FINES & FORFEITURES	1,568,771	1,285,208	205,148	965,750	823,750	942,420	118,670	14.4%
90	OTHER - REVENUE	12,148,030	11,377,521	9,260,906	18,727,000	10,353,800	3,819,000	(6,534,800)	-63.1%
98	TRANSFERS IN	14,480,797	13,836,839	-	13,041,830	24,262,200	8,545,300	(15,716,900)	-64.8%
Grand Total		**119,098,097**	**122,539,137**	**78,819,583**	**146,483,170**	**148,339,730**	**128,080,100**	**(20,259,630)**	**-13.7%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
2. CITY ATTORNEY									
CITY ATTORNEY	FINES & FORFEITURES	206,188	177,861	(13)	-	-		-	0.0%
	OTHER - REVENUE	-	340,485	-	-	-		-	0.0%
CITY ATTORNEY Total		**206,188**	**518,346**	**(13)**	**-**	**-**		**-**	**0.0%**
2. CITY ATTORNEY Total		**206,188**	**518,346**	**(13)**	**-**	**-**		**-**	**0.0%**
3. CITY MANAGER									
CITY CLERK	OTHER - REVENUE	22	-	5	-	-		-	0.0%
CITY CLERK Total		**22**	**-**	**5**	**-**	**-**		**-**	**0.0%**
COMMUNICATIONS	FRANCHISE FEES	164,737	62,097	115,826	70,000	120,000	120,000	-	0.0%
	USE OF PROPERTY	17,074	19,123	-	-	-		-	0.0%
	FAIR VALUE OF INVEST	10,448	11,373	-	-	-		-	0.0%
COMMUNICATIONS Total		**192,259**	**92,594**	**115,826**	**70,000**	**120,000**	**120,000**	**-**	**0.0%**
3. CITY MANAGER Total		**192,281**	**92,594**	**115,831**	**70,000**	**120,000**	**120,000**	**-**	**0.0%**
4. HUMAN RESOURCES									
HUMAN RESOURCES	CHRGS FOR SERVICES	2,015	3,686	-	3,000	3,000		(3,000)	-100.0%
	OTHER - REVENUE	380,428	393,624	329,850	404,000	406,000	417,500	11,500	2.8%
HUMAN RESOURCES Total		**382,443**	**397,310**	**329,850**	**407,000**	**409,000**	**417,500**	**8,500**	**2.1%**
4. HUMAN RESOURCES Total		**382,443**	**397,310**	**329,850**	**407,000**	**409,000**	**417,500**	**8,500**	**2.1%**
5. OPERATIONS									
AMERICAN RESCUE PLAN ACT	GRANTS	9,416,435	1,538,640	11,566,473	11,566,470	11,566,470		(11,566,470)	-100.0%
	USE OF PROPERTY	1,466,955	1,313,852	335,078	-	-		-	0.0%
	FAIR VALUE OF INVEST	206,721	223,063	-	-	-		-	0.0%
	OTHER - REVENUE	13,200	-	8,500	8,500	8,500		(8,500)	-100.0%
AMERICAN RESCUE PLAN ACT Total		**11,103,311**	**3,075,556**	**11,910,051**	**11,574,970**	**11,574,970**		**(11,574,970)**	**-100.0%**
ASSESSMENT DIST / CFD	USE OF PROPERTY	182,239	193,644	-	193,500	193,500	194,520	1,020	0.5%
	FAIR VALUE OF INVEST	-	2,023	-	-	-		-	0.0%
	SPECIAL ASSESSMENTS	3,668,606	3,605,481	1,832,644	3,850,120	3,850,120	3,927,120	77,000	2.0%
ASSESSMENT DIST / CFD Total		**3,850,844**	**3,801,147**	**1,832,644**	**4,043,620**	**4,043,620**	**4,121,640**	**78,020**	**1.9%**
EIFD	PROPERTY TAXES	393,285	529,230	332,210	350,000	550,000	570,000	20,000	3.6%
EIFD Total		**393,285**	**529,230**	**332,210**	**350,000**	**550,000**	**570,000**	**20,000**	**3.6%**
FINANCE	PROPERTY TAXES	31,453,857	32,877,163	17,549,735	33,386,390	33,387,890	34,468,920	1,081,030	3.2%
	SALES & USE TAXES	50,073,637	55,894,601	43,952,668	74,950,740	73,538,940	75,604,230	2,065,290	2.8%
	TRANSIENT OCC TAX	5,096,411	4,888,140	2,923,221	5,302,310	5,302,310	5,350,000	47,690	0.9%
	FRANCHISE FEES	8,574,370	9,415,496	8,517,599	9,728,100	9,731,100	9,683,100	(48,000)	-0.5%
	OTHER AGENCY CONTRIB	56,352	99,081	743,019	269,000	577,250	275,000	(302,250)	-52.4%
	USE OF PROPERTY	9,678,993	11,319,219	1,329,099	6,052,080	5,991,580	6,232,250	240,670	4.0%
	FAIR VALUE OF INVEST	7,337,064	5,777,912	-	-	-		-	0.0%
	LICENSES AND PERMITS	558,711	55,745	-	-	-		-	0.0%
	CHRGS FOR SERVICES	149	-	-	180	-	-	-	0.0%
	DEV CHRGS FOR SVCS	174,180	18,644	-	185,000	185,000		(185,000)	-100.0%
	FINES & FORFEITURES	977,442	816,694	265,360	623,750	623,750	646,920	23,170	3.7%
	SPECIAL ASSESSMENTS	3,047,452	3,172,720	1,792,264	3,203,200	3,203,200	3,221,950	18,750	0.6%
	OTHER - REVENUE	4,051,424	2,877,785	2,102,878	2,747,000	3,282,000	3,257,000	(25,000)	-0.8%
	TRANSFERS IN	11,564,359	7,655,106	-	9,035,540	8,873,960	2,869,790	(6,004,170)	-67.7%
FINANCE Total		**132,644,400**	**134,868,305**	**79,175,844**	**145,483,290**	**144,696,980**	**141,609,160**	**(3,087,820)**	**-2.1%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
GENERAL CITY	USE OF PROPERTY	2,941,930	1,367,291	-	2,001,550	1,273,540	1,314,540	41,000	3.2%
	FAIR VALUE OF INVEST	195,878	180,097	-	-	-		-	0.0%
	OTHER - REVENUE	209,093	278,203	81,333	305,000	395,000	215,000	(180,000)	-45.6%
	BOND PROCEEDS (OFS)	40,930,000	-	-	-	-		-	0.0%
	TRANSFERS IN	1,210,002	-	-	3,367,130	4,573,680	3,899,210	(674,470)	-14.7%
GENERAL CITY Total		**45,486,903**	**1,825,590**	**81,333**	**5,673,680**	**6,242,220**	**5,428,750**	**(813,470)**	**-13.0%**
INFORMATION TECHNOLOGY	TRANSFERS IN	1,490,884	4,420,292	-	5,489,130	5,489,130	6,485,390	996,260	18.1%
INFORMATION TECHNOLOGY Total		**1,490,884**	**4,420,292**	**-**	**5,489,130**	**5,489,130**	**6,485,390**	**996,260**	**18.1%**
PALMDALE COMMUNITY FOUNDATION	CHRGS FOR SERVICES	59	103	42	100	100	100	-	0.0%
	OTHER - REVENUE	57,658	37,079	51,349	52,900	52,900	57,240	4,340	8.2%
PALMDALE COMMUNITY FOUNDATION Total		**57,717**	**37,182**	**51,390**	**53,000**	**53,000**	**57,340**	**4,340**	**8.2%**
RISK MANAGEMENT	GRANTS	25,000	-	-	-	-		-	0.0%
	OTHER - REVENUE	7,387,594	7,201,875	6,298,753	6,450,000	6,450,000		(6,450,000)	-100.0%
	TRANSFERS IN	7,412,594	6,181,733	-	4,630,340	15,855,970	5,706,510	(10,149,460)	-64.0%
RISK MANAGEMENT Total		**14,825,189**	**13,383,608**	**6,298,753**	**11,080,340**	**22,305,970**	**5,706,510**	**(16,599,460)**	**-74.4%**
SUCCESSOR AGENCY	PROPERTY TAXES	70,360,649	77,460,564	38,369,639	68,652,610	79,696,610	78,150,000	(1,546,610)	-1.9%
	USE OF PROPERTY	18,745	34,104	-	35,300	35,300	34,250	(1,050)	-3.0%
SUCCESSOR AGENCY Total		**70,379,395**	**77,494,668**	**38,369,639**	**68,687,910**	**79,731,910**	**78,184,250**	**(1,547,660)**	**-1.9%**
5. OPERATIONS Total		**280,231,927**	**239,435,577**	**138,051,863**	**252,435,940**	**274,687,800**	**242,163,040**	**(32,524,760)**	**-11.8%**
6. ECONOMIC & COMMUNITY DEVELOPMENT									
ADMIN - ECONOMIC DEVELOPMENT	OTHER - REVENUE	-	50,000	50,000	50,000	50,000	50,000	-	0.0%
ADMIN - ECONOMIC DEVELOPMENT Total		**-**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**-**	**0.0%**
AFFORDABLE HOUSING	GRANTS	2,977,644	250,728	499,789	18,840,700	3,947,480	20,039,310	16,091,830	407.6%
	COUNTY CONTRIB	-	-	-	951,310	505,060	446,250	(58,810)	-11.6%
	USE OF PROPERTY	8,729,268	10,329,519	16,030,932	10,335,780	10,190,300	9,786,750	(403,550)	-4.0%
	FAIR VALUE OF INVEST	7,206	7,712	-	-	-		-	0.0%
	CHRGS FOR SERVICES	184,368	171,173	184,789	227,940	227,140	227,940	800	0.4%
	OTHER - REVENUE	-	-	-	350,000	350,000	450,000	100,000	28.6%
	GN/LS-SALE OF ASSET	82,891	180,725	-	-	-		-	0.0%
	TRANSFERS IN	14,041	(225)	-	-	-		-	0.0%
AFFORDABLE HOUSING Total		**11,995,419**	**10,939,631**	**16,715,509**	**30,705,730**	**15,219,980**	**30,950,250**	**15,730,270**	**103.4%**
BUILDING AND SAFETY	LICENSES AND PERMITS	5,763,744	4,412,182	3,923,408	4,504,000	4,504,000	4,501,500	(2,500)	-0.1%
	CHRGS FOR SERVICES	87,211	242,681	94,204	200,000	200,000	70,000	(130,000)	-65.0%
	DEV CHRGS FOR SVCS	42,900	108,931	72,066	65,000	72,200	73,000	800	1.1%
BUILDING AND SAFETY Total		**5,893,854**	**4,763,795**	**4,089,679**	**4,769,000**	**4,776,200**	**4,644,500**	**(131,700)**	**-2.8%**
CDBG	GRANTS	1,153,468	1,149,804	816,822	4,175,050	1,385,130	3,751,100	2,365,970	170.8%
	USE OF PROPERTY	34,169	-	10,051	-	-		-	0.0%
CDBG Total		**1,187,637**	**1,149,804**	**826,874**	**4,175,050**	**1,385,130**	**3,751,100**	**2,365,970**	**170.8%**
ECONOMIC DEVELOPMENT	USE OF PROPERTY	1,800	(1,800)	-	-	-		-	0.0%
	LICENSES AND PERMITS	1,350	1,650	1,335	4,500	1,500	3,000	1,500	100.0%
	OTHER - REVENUE	249,349	353,022	(96,546)	9,040,000	90,000	22,000	(68,000)	-75.6%
ECONOMIC DEVELOPMENT Total		**252,499**	**352,872**	**(95,211)**	**9,044,500**	**91,500**	**25,000**	**(66,500)**	**-72.7%**
PLANNING	LICENSES AND PERMITS	101,486	797,003	496,870	701,440	711,940	714,040	2,100	0.3%
	CHRGS FOR SERVICES	41,588	2,677	12,218	19,150	22,650	22,650	-	0.0%
	DEV CHRGS FOR SVCS	309,200	674,355	598,759	653,000	711,650	684,000	(27,650)	-3.9%
	OTHER - REVENUE	1,925	9,277	509,666	10,000	10,000	10,000	-	0.0%
PLANNING Total		**454,198**	**1,483,312**	**1,617,514**	**1,383,590**	**1,456,240**	**1,430,690**	**(25,550)**	**-1.8%**
6. ECONOMIC & COMMUNITY DEVELOPMENT Total		**19,783,608**	**18,739,414**	**23,204,365**	**50,127,870**	**22,979,050**	**40,851,540**	**17,872,490**	**77.8%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
7. PUBLIC SAFETY									
PUBLIC SAFETY	GRANTS	622,274	724,208	984,738	745,610	804,210	804,210	-	0.0%
	LICENSES AND PERMITS	191,420	207,503	97,911	181,500	179,000	181,500	2,500	1.4%
	CHRGS FOR SERVICES	105,546	64,095	57,751	116,000	114,500	133,000	18,500	16.2%
	FINES & FORFEITURES	643,269	573,303	192,745	635,000	487,500	582,500	95,000	19.5%
	OTHER - REVENUE	480	2,903	2,520	2,500	2,600	2,600	-	0.0%
	CAPITAL LEASE PROCEE	419,161	-	-	-	-		-	0.0%
PUBLIC SAFETY Total		**1,982,150**	**1,572,011**	**1,335,665**	**1,680,610**	**1,587,810**	**1,703,810**	**116,000**	**7.3%**
7. PUBLIC SAFETY Total		**1,982,150**	**1,572,011**	**1,335,665**	**1,680,610**	**1,587,810**	**1,703,810**	**116,000**	**7.3%**
8. PARKS & RECREATION									
COMMUNITY PROGRAMS	GRANTS	-	9,825	-	50,000	50,000	50,000	-	0.0%
COMMUNITY PROGRAMS Total		**-**	**9,825**	**-**	**50,000**	**50,000**	**50,000**	**-**	**0.0%**
EVENTS & CULTURE	USE OF PROPERTY	108,330	72,957	26,287	160,800	33,800	38,800	5,000	14.8%
	FAIR VALUE OF INVEST	24,929	1,441	-	-	-		-	0.0%
	CHRGS FOR SERVICES	444,729	435,422	518,134	499,300	546,700	589,000	42,300	7.7%
	DEV CHRGS FOR SVCS	336,600	257,470	191,307	250,000	250,000	250,000	-	0.0%
	OTHER - REVENUE	2,879	776	4,379	-	4,500	5,000	500	11.1%
EVENTS & CULTURE Total		**917,468**	**768,067**	**740,108**	**910,100**	**835,000**	**882,800**	**47,800**	**5.7%**
LIBRARY	USE OF PROPERTY	6,222	5,280	3,333	7,000	7,000	7,000	-	0.0%
	OTHER - REVENUE	96,639	95,326	99,953	129,500	133,000	13,000	(120,000)	-90.2%
LIBRARY Total		**102,861**	**100,606**	**103,286**	**136,500**	**140,000**	**20,000**	**(120,000)**	**-85.7%**
PARKS & FACILITIES	GRANTS	-	-	-	2,000,000	33,250	1,966,750	1,933,500	5815.0%
	COUNTY CONTRIB	-	-	-	5,837,860	1,626,040	2,383,740	757,700	46.6%
	USE OF PROPERTY	262,975	317,816	222,506	378,000	319,200	363,000	43,800	13.7%
	PARK DEVELOPMENT FEE	677,938	941,198	597,041	1,500,000	2,275,000	680,000	(1,595,000)	-70.1%
	CHRGS FOR SERVICES	1,806,819	1,667,723	906,092	1,810,000	1,699,000	1,910,000	211,000	12.4%
	OTHER - REVENUE	171,972	49,986	37,199	80,000	60,000	60,000	-	0.0%
	TRANSFERS IN	516,500	520,000	-	520,000	520,000	574,770	54,770	10.5%
PARKS & FACILITIES Total		**3,436,203**	**3,496,722**	**1,762,838**	**12,125,860**	**6,532,490**	**7,938,260**	**1,405,770**	**21.5%**
RECREATION SERVICES	OTHER AGENCY CONTRIB	18,750	25,000	-	-	-		-	0.0%
	USE OF PROPERTY	264,387	287,429	250,666	345,000	315,000	295,000	(20,000)	-6.3%
	CHRGS FOR SERVICES	616,160	684,940	487,453	611,000	663,000	746,000	83,000	12.5%
	OTHER - REVENUE	23,879	21,144	-	-	-		-	0.0%
RECREATION SERVICES Total		**923,175**	**1,018,512**	**738,118**	**956,000**	**978,000**	**1,041,000**	**63,000**	**6.4%**
8. PARKS & RECREATION Total		**5,379,707**	**5,393,732**	**3,344,350**	**14,178,460**	**8,535,490**	**9,932,060**	**1,396,570**	**16.4%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
REVENUES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
9. PUBLIC WORKS									
ENGINEERING	PROPERTY TAXES	712,469	782,068	294,792	-	750,000	750,000	-	0.0%
	DEVELOPER CONTRIB	23,078	12,729	-	-	-		-	0.0%
	COUNTY CONTRIB	117,111	157,886	81,736	50,000	85,000		(85,000)	-100.0%
	USE OF PROPERTY	40,563	26,900	19,560	30,000	30,000	30,000	-	0.0%
	FAIR VALUE OF INVEST	2,095	1,575	-	-	-		-	0.0%
	DRAINAGE FEES	5,085,662	761,622	1,260,901	900,000	1,540,000	1,000,000	(540,000)	-35.1%
	SEWER UPGRADE FEES	(3,195)	(3,235)	1,140	-	1,200	1,500	300	25.0%
	TRAFFIC IMPACT FEES	2,025,899	878,735	628,144	850,000	850,000	850,000	-	0.0%
	LICENSES AND PERMITS	106,592	49,396	46,471	70,000	70,000	70,000	-	0.0%
	CHRGS FOR SERVICES	40,344	22,321	39,730	33,800	43,000	43,000	-	0.0%
	DEV CHRGS FOR SVCS	2,418,383	2,249,586	1,677,264	2,484,850	2,309,850	2,334,850	25,000	1.1%
	FINES & FORFEITURES	-	25,000	35,200	20,630	36,130	32,500	(3,630)	-10.0%
	SPECIAL ASSESSMENTS	5,485,249	5,462,528	3,169,935	400	5,473,400	5,505,000	31,600	0.6%
	OTHER - REVENUE	526	506	20	400	400	400	-	0.0%
ENGINEERING Total		**16,054,775**	**10,427,616**	**7,254,892**	**4,440,080**	**11,188,980**	**10,617,250**	**(571,730)**	**-5.1%**
ENVIRONMENTAL	GRANTS	479,469	58,634	46,439	686,110	707,110	64,160	(642,950)	-90.9%
	CHRGS FOR SERVICES	73,899	403,251	-	399,270	403,260	423,330	20,070	5.0%
	OTHER - REVENUE	276,497	214,648	3,758	211,060	217,250	225,800	8,550	3.9%
ENVIRONMENTAL Total		**829,865**	**676,533**	**50,197**	**1,296,440**	**1,327,620**	**713,290**	**(614,330)**	**-46.3%**
MAINTENANCE	PROPERTY TAXES	-	-	-	230,000	230,000	230,000	-	0.0%
	DEVELOPER CONTRIB	17,863	2,610	-	50,000	50,000	50,000	-	0.0%
	COUNTY CONTRIB	-	-	-	150,000	150,000	150,000	-	0.0%
	STATE CONTRIBUTIONS	-	-	-	1,000	1,000	1,000	-	0.0%
	SEWER UPGRADE FEES	-	-	-	2,200	2,200	2,200	-	0.0%
	LICENSES AND PERMITS	94,444	138,278	98,747	115,000	115,800	115,800	-	0.0%
	CHRGS FOR SERVICES	734,307	567,949	837,268	801,000	841,000	841,000	-	0.0%
	FINES & FORFEITURES	23,531	19,507	12,416	41,650	47,150	47,650	500	1.1%
	SPECIAL ASSESSMENTS	12,886,986	13,119,712	7,272,314	18,582,180	18,592,150	18,892,830	300,680	1.6%
	OTHER - REVENUE	121,303	132,756	85,934	106,500	109,200	107,500	(1,700)	-1.6%
	TRANSFERS IN	1,828,072	4,275,630	-	4,661,910	4,661,910	2,036,960	(2,624,950)	-56.3%
MAINTENANCE Total		**15,706,505**	**18,256,442**	**8,306,679**	**24,741,440**	**24,800,410**	**22,474,940**	**(2,325,470)**	**-9.4%**
PALMDALE CCA	USE OF PROPERTY	-	26,090	-	-	-		-	0.0%
	CHRGS FOR SERVICES	67,363,604	76,971,462	45,140,692	70,843,630	70,873,600	73,008,260	2,134,660	3.0%
	OTHER - REVENUE	61,380	3,510	230,918	187,040	230,920	250,000	19,080	8.3%
PALMDALE CCA Total		**67,424,984**	**77,001,062**	**45,371,610**	**71,030,670**	**71,104,520**	**73,258,260**	**2,153,740**	**3.0%**
PUBLIC WORKS - ADMINISTRATION	SALES & USE TAXES	13,998,441	13,740,183	10,537,502	13,559,100	13,559,100	13,812,340	253,240	1.9%
	OTHER TAXES	8,827,064	9,245,329	6,544,272	9,214,850	9,269,540	9,627,810	358,270	3.9%
	GRANTS	4,231,636	21,633,981	(253,756)	122,562,780	148,600,820	39,485,810	(109,115,010)	-73.4%
	COUNTY CONTRIB	-	-	1,925,449	375,000	2,300,450		(2,300,450)	-100.0%
	OTHER AGENCY CONTRIB	-	1,174,278	-	3,837,310	362,690	3,787,310	3,424,620	944.2%
	USE OF PROPERTY	(1,174,278)	-	-	-	-		-	0.0%
	FACILITY IMPACT FEE	2,028,686	760,967	511,565	1,200,000	1,200,000	1,200,000	-	0.0%
	CHRGS FOR SERVICES	1,510	2,083	1,617	1,700	1,700	2,000	300	17.6%
	OTHER - REVENUE	31,419	95,872	259,263	235,430	260,430	35,000	(225,430)	-86.6%
PUBLIC WORKS - ADMINISTRATION Total		**27,944,478**	**46,652,692**	**19,525,911**	**150,986,170**	**175,554,730**	**67,950,270**	**(107,604,460)**	**-61.3%**
9. PUBLIC WORKS Total		**127,960,608**	**153,014,345**	**80,509,290**	**252,494,800**	**283,976,260**	**175,014,010**	**(108,962,250)**	**-38.4%**
Grand Total		**436,118,912**	**419,163,329**	**246,891,201**	**571,394,680**	**592,295,410**	**470,201,960**	**(122,093,450)**	**-20.6%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
EXPENDITURES-ALL FUNDS

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
10	SALARIES	29,957,228	31,898,054	27,940,833	38,214,810	38,014,650	40,712,470	2,697,820	7.1%
11	BENEFITS	12,761,012	13,843,701	12,527,958	18,465,880	18,308,900	17,283,740	(1,025,160)	-5.6%
15	ORG DEVELOPMENT	692,097	719,202	591,198	1,185,560	1,146,910	1,011,400	(135,510)	-11.8%
20	OPERATING EXP	35,230,048	24,776,694	17,858,040	40,348,020	30,721,800	35,410,600	4,688,800	15.3%
21	CONTRACT SERVICES	86,159,586	108,439,033	69,655,399	121,346,230	120,057,050	120,250,510	193,460	0.2%
22	SOFTWARE	1,071,506	2,283,255	1,890,506	3,580,910	3,580,910	3,371,170	(209,740)	-5.9%
23	CAPITAL OUTLAY	462,139	551,954	372,494	935,250	928,310	544,090	(384,220)	-41.4%
24	COUNTY CONTRACTS	32,852,379	33,366,712	25,152,368	39,004,510	39,077,240	40,181,580	1,104,340	2.8%
25	UTILITIES	7,030,131	8,567,211	5,839,081	9,646,660	9,759,430	9,972,980	213,550	2.2%
26	PROGRAM EXP	2,140,048	751,109	355,546	22,572,610	5,406,680	21,518,200	16,111,520	298.0%
30	INTER-GOV SHARING	59,495,693	65,197,880	29,054,887	59,525,000	60,025,000	61,246,390	1,221,390	2.0%
40	CAPITAL	39,956,436	111,486,843	34,065,551	239,007,200	240,046,320	65,030,670	(175,015,650)	-72.9%
50	DEBT SERVICE	30,634,772	24,499,970	14,673,545	26,262,450	25,388,860	22,794,890	(2,593,970)	-10.2%
59	TRANSFERS OUT	22,727,170	22,906,513	-	27,684,100	38,752,310	22,812,480	(15,939,830)	-41.1%
95	GN/LS-SALE OF ASSET	274,481	-	-	-	-		-	0.0%
Grand Total		**361,444,725**	**449,288,134**	**239,977,406**	**647,779,190**	**631,214,370**	**462,141,170**	**(169,073,200)**	**-26.8%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
EXPENDITURES-GENERAL FUND

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
10	SALARIES	17,906,418	19,128,789	16,461,886	22,393,910	22,234,250	23,713,850	1,479,600	6.7%
11	BENEFITS	7,002,022	7,684,114	7,037,803	10,619,720	10,395,220	9,505,830	(889,390)	-8.6%
15	ORG DEVELOPMENT	518,233	579,026	461,839	859,400	839,050	722,440	(116,610)	-13.9%
20	OPERATING EXP	23,983,264	17,637,883	13,288,321	18,750,650	17,595,100	14,234,340	(3,360,760)	-19.1%
21	CONTRACT SERVICES	15,078,309	21,082,899	14,664,117	26,422,310	26,821,570	26,867,590	46,020	0.2%
22	SOFTWARE	2,107	14,301	2,364	5,000	5,000	5,000	-	0.0%
23	CAPITAL OUTLAY	93,892	197,913	150,721	395,460	470,620	173,740	(296,880)	-63.1%
24	COUNTY CONTRACTS	23,638,350	25,941,412	18,441,070	30,143,530	30,156,660	29,075,460	(1,081,200)	-3.6%
25	UTILITIES	2,259,654	2,768,454	1,898,893	3,230,940	3,282,090	3,238,670	(43,420)	-1.3%
26	PROGRAM EXP	-	-	1,450	200,000	87,500	200,000	112,500	128.6%
40	CAPITAL	1,847,341	6,329,882	1,569,656	15,517,200	15,368,630	495,400	(14,873,230)	-96.8%
50	DEBT SERVICE	6,064,035	3,360,101	2,164,835	4,006,700	4,622,250	4,612,630	(9,620)	-0.2%
59	TRANSFERS OUT	9,875,853	11,531,176	-	13,849,490	25,059,540	14,218,850	(10,840,690)	-43.3%
95	GN/LS-SALE OF ASSET	274,481	-	-	-	-		-	0.0%
Grand Total		**108,543,959**	**116,255,951**	**76,142,955**	**146,394,310**	**156,937,480**	**127,063,800**	**(29,873,680)**	**-19.0%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
1. CITY COUNCIL									
CITY COUNCIL	SALARIES	255,712	233,988	150,593	220,400	208,400	213,260	4,860	2.3%
	BENEFITS	153,264	141,602	116,518	196,280	196,280	223,000	26,720	13.6%
	ORG DEVELOPMENT	28,052	41,622	57,365	84,500	85,100	85,100	-	0.0%
	OPERATING EXP	76,944	71,024	37,918	77,800	79,300	204,200	124,900	157.5%
	CAPITAL OUTLAY	243	-	-	1,000	1,000	1,000	-	0.0%
	UTILITIES	4,671	5,259	3,323	4,700	4,700	4,700	-	0.0%
	TRANSFERS OUT	20,477	67,952	-	90,590	90,590	17,590	(73,000)	-80.6%
CITY COUNCIL Total		**539,362**	**561,448**	**365,717**	**675,270**	**665,370**	**748,850**	**83,480**	**12.5%**
1. CITY COUNCIL Total		**539,362**	**561,448**	**365,717**	**675,270**	**665,370**	**748,850**	**83,480**	**12.5%**
2. CITY ATTORNEY									
CITY ATTORNEY	SALARIES	72,533	345	-	-	-		-	0.0%
	BENEFITS	32,611	17	-	500	-		-	0.0%
	ORG DEVELOPMENT	12,249	4,140	(128)	3,500	500	500	-	0.0%
	OPERATING EXP	2,021	557	47	2,000	750	750	-	0.0%
	CONTRACT SERVICES	2,218,126	4,031,266	2,291,257	2,301,500	3,800,500	3,251,000	(549,500)	-14.5%
	CAPITAL OUTLAY	-	-	-	1,000	500	500	-	0.0%
	UTILITIES	873	467	-	500	-	-	-	0.0%
	TRANSFERS OUT	24,571	81,553	-	108,700	108,700	24,830	(83,870)	-77.2%
CITY ATTORNEY Total		**2,362,984**	**4,118,345**	**2,291,177**	**2,417,700**	**3,910,950**	**3,277,580**	**(633,370)**	**-16.2%**
2. CITY ATTORNEY Total		**2,362,984**	**4,118,345**	**2,291,177**	**2,417,700**	**3,910,950**	**3,277,580**	**(633,370)**	**-16.2%**
3. CITY MANAGER									
CITY CLERK	SALARIES	591,563	489,325	433,573	515,400	513,900	571,320	57,420	11.2%
	BENEFITS	241,233	222,802	180,633	223,900	217,900	222,760	4,860	2.2%
	ORG DEVELOPMENT	19,292	17,174	10,927	40,900	40,900	29,570	(11,330)	-27.7%
	OPERATING EXP	12,403	8,050	3,727	18,030	18,030	12,530	(5,500)	-30.5%
	CONTRACT SERVICES	61,784	422,820	8,303	53,520	53,520	497,600	444,080	829.7%
	CAPITAL OUTLAY	1,057	576	-	1,500	26,500	1,500	(25,000)	-94.3%
	UTILITIES	498	232	-	500	500	500	-	0.0%
	TRANSFERS OUT	45,048	157,049	-	199,280	199,280	124,160	(75,120)	-37.7%
CITY CLERK Total		**972,877**	**1,318,028**	**637,162**	**1,053,030**	**1,070,530**	**1,459,940**	**389,410**	**36.4%**
CITY MANAGER	SALARIES	1,173,380	1,355,788	1,244,756	1,338,830	1,335,830	1,509,750	173,920	13.0%
	BENEFITS	514,320	668,346	583,206	595,240	625,240	885,300	260,060	41.6%
	ORG DEVELOPMENT	92,031	133,498	81,523	113,510	113,510	73,750	(39,760)	-35.0%
	OPERATING EXP	18,608	88,940	36,375	2,241,500	142,000	101,500	(40,500)	-28.5%
	CONTRACT SERVICES	9,495	73,586	46,254	138,250	103,250	321,000	217,750	210.9%
	CAPITAL OUTLAY	2,261	71,806	2,677	94,160	148,320	10,000	(138,320)	-93.3%
	UTILITIES	1,818	1,874	875	1,920	1,920	1,920	-	0.0%
	TRANSFERS OUT	27,994	142,276	-	116,640	116,640	239,420	122,780	105.3%
CITY MANAGER Total		**1,839,907**	**2,536,113**	**1,995,666**	**4,640,050**	**2,586,710**	**3,142,640**	**555,930**	**21.5%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
COMMUNICATIONS	SALARIES	397,577	147,438	192,026	265,060	265,060	356,590	91,530	34.5%
	BENEFITS	152,106	71,570	85,846	135,830	114,830	146,390	31,560	27.5%
	ORG DEVELOPMENT	10,962	5,705	9,040	23,000	21,760	18,160	(3,600)	-16.5%
	OPERATING EXP	1,157	2,675	658	3,000	3,000	3,000	-	0.0%
	CONTRACT SERVICES	885,749	1,772,949	993,229	2,475,000	1,696,600	1,786,000	89,400	5.3%
	CAPITAL OUTLAY	19,612	123	33	5,500	500	2,000	1,500	300.0%
	UTILITIES	1,041	444	-	600	600	600	-	0.0%
	CAPITAL	-	392	-	-	-		-	0.0%
	TRANSFERS OUT	24,605	81,553	-	108,700	108,700	49,660	(59,040)	-54.3%
COMMUNICATIONS Total		**1,492,808**	**2,082,848**	**1,280,832**	**3,016,690**	**2,211,050**	**2,362,400**	**151,350**	**6.8%**
LEGISLATIVE AFFAIRS	SALARIES	155,864	66,647	89,168	190,820	190,820	123,340	(67,480)	-35.4%
	BENEFITS	32,374	22,084	38,414	99,850	99,850	49,730	(50,120)	-50.2%
	ORG DEVELOPMENT	7,083	-	8,691	13,520	9,020	8,320	(700)	-7.8%
	CONTRACT SERVICES	237,266	305,200	258,800	379,200	379,200	379,200	-	0.0%
LEGISLATIVE AFFAIRS Total		**432,588**	**393,931**	**395,073**	**683,390**	**678,890**	**560,590**	**(118,300)**	**-17.4%**
RECORDS MANAGEMENT	SALARIES	61,204	73,590	105,937	98,940	143,940	155,060	11,120	7.7%
	BENEFITS	6,306	2,155	2,211	10,300	5,300	5,200	(100)	-1.9%
	ORG DEVELOPMENT	-	8	-	3,000	3,000	2,500	(500)	-16.7%
	OPERATING EXP	1,727	5,010	1,395	6,200	6,200	6,700	500	8.1%
	CONTRACT SERVICES	12,702	8,103	10,921	97,850	97,850	91,150	(6,700)	-6.8%
	CAPITAL OUTLAY	-	-	159	1,000	1,000	10,000	9,000	900.0%
	UTILITIES	10,418	15,376	8,094	15,630	15,630	16,100	470	3.0%
RECORDS MANAGEMENT Total		**92,358**	**104,242**	**128,718**	**232,920**	**272,920**	**286,710**	**13,790**	**5.1%**
3. CITY MANAGER Total		**4,830,539**	**6,435,161**	**4,437,450**	**9,626,080**	**6,820,100**	**7,812,280**	**992,180**	**14.5%**
4. HUMAN RESOURCES									
HUMAN RESOURCES	SALARIES	609,361	579,987	654,529	840,320	840,320	910,750	70,430	8.4%
	BENEFITS	276,398	288,346	370,188	482,320	433,820	440,100	6,280	1.4%
	ORG DEVELOPMENT	4,977	14,270	14,863	43,500	43,500	44,900	1,400	3.2%
	OPERATING EXP	1,762,079	1,650,053	1,462,930	2,026,000	2,044,000	2,058,200	14,200	0.7%
	CONTRACT SERVICES	1,270,904	1,450,501	1,548,777	1,456,910	1,983,910	1,663,500	(320,410)	-16.2%
	CAPITAL OUTLAY	-	4,743	12,989	33,580	33,580	6,940	(26,640)	-79.3%
	UTILITIES	-	-	1,468	-	-	960	960	0.0%
	TRANSFERS OUT	28,668	83,893	-	126,810	126,810	97,010	(29,800)	-23.5%
HUMAN RESOURCES Total		**3,952,388**	**4,071,794**	**4,065,743**	**5,009,440**	**5,505,940**	**5,222,360**	**(283,580)**	**-5.2%**
4. HUMAN RESOURCES Total		**3,952,388**	**4,071,794**	**4,065,743**	**5,009,440**	**5,505,940**	**5,222,360**	**(283,580)**	**-5.2%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
5. OPERATIONS									
AMERICAN RESCUE PLAN ACT	OPERATING EXP	1,733,667	382,417	451,708	1,850,820	1,850,820		(1,850,820)	-100.0%
	CONTRACT SERVICES	208,925	302,157	76,072	107,970	107,970		(107,970)	-100.0%
	CAPITAL OUTLAY	27,216	15,046	-	4,730	4,730		(4,730)	-100.0%
	COUNTY CONTRACTS	2,000,000	-	-	-	-		-	0.0%
	UTILITIES	2,174	160	-	-	-		-	0.0%
AMERICAN RESCUE PLAN ACT Total		**3,971,982**	**699,779**	**527,780**	**1,963,520**	**1,963,520**		**(1,963,520)**	**-100.0%**
ASSESSMENT DIST / CFD	OPERATING EXP	500	-	-	-	-	-	-	0.0%
	CONTRACT SERVICES	923,543	956,249	785,918	1,128,570	1,090,570	1,088,730	(1,840)	-0.2%
	DEBT SERVICE	2,361,608	2,356,821	1,895,462	2,352,760	2,352,760	2,350,100	(2,660)	-0.1%
	TRANSFERS OUT	147,000	159,150	-	176,940	171,680	162,000	(9,680)	-5.6%
ASSESSMENT DIST / CFD Total		**3,432,652**	**3,472,220**	**2,681,380**	**3,658,270**	**3,615,010**	**3,600,830**	**(14,180)**	**-0.4%**
EIFD	OPERATING EXP	-	152,341	22,954	50,000	50,000	100,000	50,000	100.0%
EIFD Total		**-**	**152,341**	**22,954**	**50,000**	**50,000**	**100,000**	**50,000**	**100.0%**
FINANCE	SALARIES	1,297,914	1,387,412	1,220,444	1,651,090	1,651,090	1,889,730	238,640	14.5%
	BENEFITS	666,182	676,750	595,659	846,150	846,650	871,450	24,800	2.9%
	ORG DEVELOPMENT	26,672	42,285	21,120	53,720	57,120	38,610	(18,510)	-32.4%
	OPERATING EXP	31,954	98,434	30,146	248,500	250,500	261,630	11,130	4.4%
	CONTRACT SERVICES	732,918	935,551	202,134	733,950	727,300	722,010	(5,290)	-0.7%
	CAPITAL OUTLAY	5,075	8,289	11,880	14,000	13,500	6,000	(7,500)	-55.6%
	UTILITIES	1,503	621	599	2,000	800	700	(100)	-12.5%
	DEBT SERVICE	203,562	-	-	172,700	50,000	50,000	-	0.0%
	TRANSFERS OUT	9,375,180	4,548,171	-	4,952,410	5,113,390	1,374,990	(3,738,400)	-73.1%
	GN/LS-SALE OF ASSET	274,481	-	-	-	-		-	0.0%
FINANCE Total		**12,615,442**	**7,697,513**	**2,081,982**	**8,674,520**	**8,710,350**	**5,215,120**	**(3,495,230)**	**-40.1%**
GENERAL CITY	SALARIES	60,511	64,407	58,855	(320,000)	(320,000)	(73,380)	246,620	-77.1%
	BENEFITS	222,986	87,392	68,593	1,293,000	1,193,000	1,128,640	(64,360)	-5.4%
	ORG DEVELOPMENT	105,844	105,062	104,048	162,330	162,330	117,670	(44,660)	-27.5%
	OPERATING EXP	695,700	846,528	297,721	1,223,300	1,304,300	1,288,000	(16,300)	-1.2%
	CONTRACT SERVICES	378,653	456,643	317,860	878,630	859,230	744,330	(114,900)	-13.4%
	UTILITIES	65,877	81,654	50,633	76,500	81,500	81,500	-	0.0%
	CAPITAL	197,203	28,343,223	15,063	140,000	40,000	50,000	10,000	25.0%
	DEBT SERVICE	15,726,863	9,002,070	3,732,727	9,138,910	10,233,170	9,606,380	(626,790)	-6.1%
	TRANSFERS OUT	8,515,119	7,230,407	-	8,583,010	19,807,350	9,498,520	(10,308,830)	-52.0%
GENERAL CITY Total		**25,968,755**	**46,217,385**	**4,645,500**	**21,175,680**	**33,360,880**	**22,441,660**	**(10,919,220)**	**-32.7%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
INFORMATION TECHNOLOGY	SALARIES	753,711	884,644	740,518	903,950	905,950	970,140	64,190	7.1%
	BENEFITS	371,067	422,758	347,235	447,670	447,830	418,400	(29,430)	-6.6%
	ORG DEVELOPMENT	10,623	8,181	11,259	17,000	17,000	13,000	(4,000)	-23.5%
	OPERATING EXP	990,237	7,826	5,304	15,000	15,000	15,000	-	0.0%
	CONTRACT SERVICES	90,813	112,042	109,901	143,030	143,030	449,000	305,970	213.9%
	SOFTWARE	1,069,399	2,268,954	1,888,142	3,575,910	3,575,910	3,299,920	(275,990)	-7.7%
	CAPITAL OUTLAY	176,134	160,156	164,950	210,000	210,000	170,000	(40,000)	-19.0%
	UTILITIES	97,932	101,871	80,797	112,000	112,000	95,600	(16,400)	-14.6%
	CAPITAL	307,063	496,597	654,250	1,489,930	1,489,930	665,160	(824,770)	-55.4%
INFORMATION TECHNOLOGY Total		**3,866,978**	**4,463,029**	**4,002,356**	**6,914,490**	**6,916,650**	**6,096,220**	**(820,430)**	**-11.9%**
PALMDALE COMMUNITY FOUNDATION	OPERATING EXP	69,270	68,542	59,999	121,430	59,140	97,050	37,910	64.1%
PALMDALE COMMUNITY FOUNDATION Total		**69,270**	**68,542**	**59,999**	**121,430**	**59,140**	**97,050**	**37,910**	**64.1%**
RISK MANAGEMENT	SALARIES	37,353	258,456	255,693	343,340	343,340	237,240	(106,100)	-30.9%
	BENEFITS	21,957	135,099	110,755	181,710	181,710	120,410	(61,300)	-33.7%
	ORG DEVELOPMENT	3,277	4,225	604	11,500	11,500	7,200	(4,300)	-37.4%
	OPERATING EXP	19,764,893	12,461,749	9,497,365	10,788,470	10,703,470	6,138,980	(4,564,490)	-42.6%
	CONTRACT SERVICES	1,179,442	950,602	329,814	1,233,250	833,250	670,500	(162,750)	-19.5%
	CAPITAL OUTLAY	-	-	328	1,500	1,500	1,500	-	0.0%
	UTILITIES	-	49	223	360	360	360	-	0.0%
RISK MANAGEMENT Total		**21,006,921**	**13,810,180**	**10,194,782**	**12,560,130**	**12,075,130**	**7,176,190**	**(4,898,940)**	**-40.6%**
SUCCESSOR AGENCY	OPERATING EXP	1,635,344	-	-	200	200	-	(200)	-100.0%
	CONTRACT SERVICES	1,224,883	1,317,904	1,239,658	1,415,400	1,415,400	1,396,600	(18,800)	-1.3%
	UTILITIES	97,520	102,032	12,957	111,500	111,500	94,400	(17,100)	-15.3%
	PROGRAM EXP	-	-	-	365,000	-		-	0.0%
	INTER-GOV SHARING	59,495,693	65,197,880	29,054,887	59,525,000	60,025,000	61,246,390	1,221,390	2.0%
	DEBT SERVICE	10,232,070	10,199,560	6,921,030	10,949,780	9,663,430	8,113,180	(1,550,250)	-16.0%
	TRANSFERS OUT	-	623,297	-	633,460	321,610	126,000	(195,610)	-60.8%
SUCCESSOR AGENCY Total		**72,685,511**	**77,440,673**	**37,228,532**	**73,000,340**	**71,537,140**	**70,976,570**	**(560,570)**	**-0.8%**
5. OPERATIONS Total		**143,617,510**	**154,021,662**	**61,445,263**	**128,118,380**	**138,287,820**	**115,703,640**	**(22,584,180)**	**-16.3%**
6. ECONOMIC & COMMUNITY DEVELOPMENT									
ADMIN - ECONOMIC DEVELOPMENT	SALARIES	483,621	422,070	344,402	553,770	553,770	652,600	98,830	17.8%
	BENEFITS	206,629	169,650	158,970	243,290	243,290	278,730	35,440	14.6%
	ORG DEVELOPMENT	15,622	4,836	9,535	14,500	14,500	13,500	(1,000)	-6.9%
	OPERATING EXP	7,578	6,662	6,870	7,500	7,500	7,500	-	0.0%
	CONTRACT SERVICES	31,362	28,535	20,061	55,630	55,630	286,000	230,370	414.1%
	UTILITIES	540	528	643	1,300	1,300	1,300	-	0.0%
	TRANSFERS OUT	53,239	176,696	-	235,510	235,510	71,030	(164,480)	-69.8%
ADMIN - ECONOMIC DEVELOPMENT Total		**798,590**	**808,976**	**540,482**	**1,111,500**	**1,111,500**	**1,310,660**	**199,160**	**17.9%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
AFFORDABLE HOUSING	SALARIES	496,670	706,420	669,085	933,830	934,330	1,176,400	242,070	25.9%
	BENEFITS	228,504	345,067	314,429	467,060	467,060	552,870	85,810	18.4%
	ORG DEVELOPMENT	19,154	22,842	11,055	31,700	25,700	28,400	2,700	10.5%
	OPERATING EXP	1,342,581	514,230	345,289	7,573,590	1,720,160	10,640,660	8,920,500	518.6%
	CONTRACT SERVICES	4,297,664	4,685,431	3,033,514	6,173,130	5,330,970	5,744,160	413,190	7.8%
	CAPITAL OUTLAY	22,370	28,055	8,795	25,950	28,950	25,250	(3,700)	-12.8%
	UTILITIES	1,028,315	1,568,592	914,471	1,561,320	1,633,140	1,621,660	(11,480)	-0.7%
	PROGRAM EXP	2,140,048	751,109	355,546	20,415,330	4,958,600	20,174,000	15,215,400	306.8%
	CAPITAL	405,165	575,757	90,094	1,435,000	685,000	1,219,000	534,000	78.0%
	DEBT SERVICE	599,703	1,630,166	787,693	2,274,990	1,716,560	1,715,740	(820)	0.0%
	TRANSFERS OUT	159,718	530,088	-	706,520	706,520	154,840	(551,680)	-78.1%
AFFORDABLE HOUSING Total		**10,739,889**	**11,357,758**	**6,529,971**	**41,598,420**	**18,206,990**	**43,052,980**	**24,845,990**	**136.5%**
BUILDING AND SAFETY	SALARIES	1,418,618	1,869,967	1,454,090	2,043,050	1,943,050	1,879,510	(63,540)	-3.3%
	BENEFITS	721,421	918,338	673,842	1,059,550	1,061,150	865,530	(195,620)	-18.4%
	ORG DEVELOPMENT	28,144	32,122	16,927	42,700	42,700	36,900	(5,800)	-13.6%
	OPERATING EXP	988	4,550	1,859	19,000	19,000	11,000	(8,000)	-42.1%
	CONTRACT SERVICES	538,274	661,466	374,477	851,010	851,010	851,010	-	0.0%
	CAPITAL OUTLAY	3,322	1,562	896	4,000	4,000	4,000	-	0.0%
	UTILITIES	6,574	6,973	5,027	7,140	7,140	7,140	-	0.0%
	TRANSFERS OUT	106,578	288,550	-	385,120	385,120	289,260	(95,860)	-24.9%
BUILDING AND SAFETY Total		**2,823,919**	**3,783,529**	**2,527,117**	**4,411,570**	**4,313,170**	**3,944,350**	**(368,820)**	**-8.6%**
CDBG	SALARIES	235,265	206,372	212,416	187,660	187,660	45,930	(141,730)	-75.5%
	BENEFITS	19,528	24,605	15,362	21,500	21,500	23,390	1,890	8.8%
	ORG DEVELOPMENT	1,743	1,507	100	7,500	500	7,500	7,000	1400.0%
	OPERATING EXP	99,254	69,432	21,350	98,520	98,520	98,520	-	0.0%
	CONTRACT SERVICES	66,511	102,356	72,113	119,320	171,820	174,320	2,500	1.5%
	CAPITAL OUTLAY	-	-	-	100	-	100	100	0.0%
	UTILITIES	17,060	646	-	-	-		-	0.0%
	PROGRAM EXP	-	-	-	1,792,280	448,080	1,344,200	896,120	200.0%
	DEBT SERVICE	321,874	347,518	373,038	373,040	373,040	-	(373,040)	-100.0%
CDBG Total		**761,235**	**752,436**	**694,378**	**2,599,920**	**1,301,120**	**1,693,960**	**392,840**	**30.2%**
ECONOMIC DEVELOPMENT	SALARIES	281,981	356,019	263,352	399,710	398,710	407,520	8,810	2.2%
	BENEFITS	131,838	158,838	112,500	152,520	152,520	160,500	7,980	5.2%
	ORG DEVELOPMENT	33,963	36,188	18,118	38,420	33,170	32,100	(1,070)	-3.2%
	OPERATING EXP	320,402	1,051,716	808,639	2,046,640	1,371,630	4,008,760	2,637,130	192.3%
	CONTRACT SERVICES	430,609	347,441	452,798	952,340	912,340	771,400	(140,940)	-15.4%
	CAPITAL OUTLAY	-	851	-	1,500	1,500	1,500	-	0.0%
	UTILITIES	17,658	17,212	14,479	22,950	17,250	16,550	(700)	-4.1%
	TRANSFERS OUT	24,571	81,553	-	108,700	108,700	56,830	(51,870)	-47.7%
ECONOMIC DEVELOPMENT Total		**1,241,023**	**2,049,818**	**1,669,887**	**3,722,780**	**2,995,820**	**5,455,160**	**2,459,340**	**82.1%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
PLANNING	SALARIES	814,636	960,642	925,854	1,233,100	1,231,600	1,328,670	97,070	7.9%
	BENEFITS	396,518	469,123	442,916	629,170	630,470	561,700	(68,770)	-10.9%
	ORG DEVELOPMENT	16,866	9,870	11,719	21,920	21,920	16,360	(5,560)	-25.4%
	OPERATING EXP	5,707	4,765	7,720	17,500	17,500	20,200	2,700	15.4%
	CONTRACT SERVICES	72,501	107,117	57,402	328,200	328,700	143,700	(185,000)	-56.3%
	CAPITAL OUTLAY	2,908	280	-	3,000	3,000	3,000	-	0.0%
	UTILITIES	47	718	229	-	300	300	-	0.0%
	TRANSFERS OUT	49,145	165,617	-	217,390	217,390	170,480	(46,910)	-21.6%
PLANNING Total		**1,358,327**	**1,718,132**	**1,445,839**	**2,450,280**	**2,450,880**	**2,244,410**	**(206,470)**	**-8.4%**
6. ECONOMIC & COMMUNITY DEVELOPMENT Total		**17,722,984**	**20,470,649**	**13,407,674**	**55,894,470**	**30,379,480**	**57,701,520**	**27,322,040**	**89.9%**
7. PUBLIC SAFETY									
PUBLIC SAFETY	SALARIES	2,685,189	2,071,465	2,077,093	3,285,940	3,282,940	3,550,870	267,930	8.2%
	BENEFITS	1,068,392	1,106,542	1,049,258	1,828,030	1,827,030	1,713,060	(113,970)	-6.2%
	ORG DEVELOPMENT	15,683	24,482	28,808	36,000	36,000	32,270	(3,730)	-10.4%
	OPERATING EXP	89,570	407,602	393,342	711,000	646,400	666,400	20,000	3.1%
	CONTRACT SERVICES	637,510	2,597,769	1,957,265	3,720,780	3,453,710	3,529,650	75,940	2.2%
	SOFTWARE	-	12,000	-	-	-		-	0.0%
	CAPITAL OUTLAY	1,365	1,600	7,701	7,500	14,500	7,500	(7,000)	-48.3%
	COUNTY CONTRACTS	30,852,379	33,366,712	25,152,368	39,004,510	39,077,240	40,181,580	1,104,340	2.8%
	UTILITIES	25,720	27,312	16,321	35,000	30,000	32,520	2,520	8.4%
	CAPITAL	433,314	-	-	-	-		-	0.0%
	DEBT SERVICE	150,000	-	-	-	-		-	0.0%
	TRANSFERS OUT	111,862	615,668	-	259,580	259,580	919,910	660,330	254.4%
PUBLIC SAFETY Total		**36,070,983**	**40,231,152**	**30,682,154**	**48,888,340**	**48,627,400**	**50,633,760**	**2,006,360**	**4.1%**
7. PUBLIC SAFETY Total		**36,070,983**	**40,231,152**	**30,682,154**	**48,888,340**	**48,627,400**	**50,633,760**	**2,006,360**	**4.1%**
8. PARKS & RECREATION									
COMMUNITY PROGRAMS	SALARIES	299,270	350,342	310,953	496,710	500,710	691,310	190,600	38.1%
	BENEFITS	146,926	177,727	159,493	212,240	202,240	227,080	24,840	12.3%
	ORG DEVELOPMENT	2,835	1,919	-	6,350	6,350	6,350	-	0.0%
	OPERATING EXP	203,770	159,640	112,263	240,500	215,500	195,000	(20,500)	-9.5%
	CONTRACT SERVICES	4,070	1,792	2,371	4,500	4,500	3,800	(700)	-15.6%
	UTILITIES	606	5,976	9,506	25,300	18,700	19,200	500	2.7%
COMMUNITY PROGRAMS Total		**657,477**	**697,396**	**594,586**	**985,600**	**948,000**	**1,142,740**	**194,740**	**20.5%**
EVENTS & CULTURE	SALARIES	1,288,250	1,554,952	1,339,881	1,880,900	1,883,900	1,987,230	103,330	5.5%
	BENEFITS	392,744	432,285	365,048	446,770	444,270	428,850	(15,420)	-3.5%
	ORG DEVELOPMENT	9,194	5,024	12,418	14,100	17,510	17,900	390	2.2%
	OPERATING EXP	833,969	1,148,482	916,179	1,662,450	1,600,710	1,662,950	62,240	3.9%
	CONTRACT SERVICES	872,145	1,505,864	1,847,794	2,733,750	2,706,750	3,370,500	663,750	24.5%
	SOFTWARE	2,107	2,301	2,364	5,000	5,000	5,000	-	0.0%
	CAPITAL OUTLAY	34,174	41,193	33,515	60,900	60,900	17,500	(43,400)	-71.3%
	UTILITIES	76,516	81,467	43,632	122,750	84,250	89,750	5,500	6.5%
	CAPITAL	31,939	8,388	-	45,000	35,000	30,000	(5,000)	-14.3%
EVENTS & CULTURE Total		**3,541,038**	**4,779,956**	**4,560,830**	**6,971,620**	**6,838,290**	**7,609,680**	**771,390**	**11.3%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
LIBRARY	SALARIES	34,448	8,275	7,996	8,000	8,000		(8,000)	-100.0%
	BENEFITS	2,126	260	251	-	-		-	0.0%
	OPERATING EXP	293,296	364,332	264,196	376,000	373,500	373,500	-	0.0%
	CONTRACT SERVICES	1,097,023	1,198,664	1,024,251	1,333,040	1,334,040	1,340,660	6,620	0.5%
	CAPITAL OUTLAY	5,955	3,838	3,922	5,000	5,000	5,000	-	0.0%
	UTILITIES	51,414	46,334	53,901	60,600	75,100	75,600	500	0.7%
	TRANSFERS OUT	49,145	163,106	-	217,390	217,390	369,380	151,990	69.9%
LIBRARY Total		**1,533,407**	**1,784,808**	**1,354,518**	**2,000,030**	**2,013,030**	**2,164,140**	**151,110**	**7.5%**
PARKS & FACILITIES	SALARIES	2,287,619	2,541,950	2,245,476	3,094,900	2,854,740	3,233,030	378,290	13.3%
	BENEFITS	595,237	707,810	761,501	1,018,750	1,017,650	891,610	(126,040)	-12.4%
	ORG DEVELOPMENT	22,209	26,195	10,456	39,460	29,660	31,660	2,000	6.7%
	OPERATING EXP	492,605	351,117	337,410	713,100	692,200	698,100	5,900	0.9%
	CONTRACT SERVICES	176,197	273,001	760,505	1,206,600	932,600	654,300	(278,300)	-29.8%
	CAPITAL OUTLAY	88,410	128,636	32,019	221,000	131,000	98,000	(33,000)	-25.2%
	UTILITIES	382,010	412,119	316,326	533,150	476,300	494,650	18,350	3.9%
	CAPITAL	24,430	72,007	206,562	2,454,300	397,550	2,042,150	1,644,600	413.7%
	TRANSFERS OUT	351,423	1,005,654	-	1,350,370	1,350,370	1,603,250	252,880	18.7%
PARKS & FACILITIES Total		**4,420,140**	**5,518,488**	**4,670,256**	**10,631,630**	**7,882,070**	**9,746,750**	**1,864,680**	**23.7%**
RECREATION SERVICES	SALARIES	2,399,467	2,611,026	1,992,040	2,870,020	2,870,020	3,059,740	189,720	6.6%
	BENEFITS	385,060	413,051	324,378	322,060	334,300	367,870	33,570	10.0%
	ORG DEVELOPMENT	10,197	13,327	7,580	18,930	14,030	16,930	2,900	20.7%
	OPERATING EXP	188,336	208,964	156,350	274,690	221,690	248,890	27,200	12.3%
	CONTRACT SERVICES	182,512	176,684	175,811	307,000	226,500	275,000	48,500	21.4%
	CAPITAL OUTLAY	17,216	36,187	64,392	73,870	73,870	25,350	(48,520)	-65.7%
	UTILITIES	64,177	79,833	65,471	104,180	97,180	97,180	-	0.0%
RECREATION SERVICES Total		**3,246,964**	**3,539,072**	**2,786,023**	**3,970,750**	**3,837,590**	**4,090,960**	**253,370**	**6.6%**
EMERGENCY MANAGEMENT	SALARIES	130,218	149,363	124,364	157,000	154,900	164,010	9,110	5.9%
	BENEFITS	71,246	78,057	64,030	82,280	82,280	78,720	(3,560)	-4.3%
	ORG DEVELOPMENT	5,981	422	655	10,800	5,800	7,500	1,700	29.3%
	OPERATING EXP	15,826	21,393	15,062	31,500	21,000	25,250	4,250	20.2%
	CONTRACT SERVICES	11,781	6,200	50	40,800	25,800	15,800	(10,000)	-38.8%
	CAPITAL OUTLAY	512	741	-	8,400	8,400	-	(8,400)	-100.0%
	UTILITIES	498	559	232	2,000	1,000	800	(200)	-20.0%
EMERGENCY MANAGEMENT Total		**236,061**	**256,734**	**204,393**	**332,780**	**299,180**	**292,080**	**(7,100)**	**-2.4%**
8. PARKS & RECREATION Total		**13,635,087**	**16,576,454**	**14,170,606**	**24,892,410**	**21,818,160**	**25,046,350**	**3,228,190**	**14.8%**
9. PUBLIC WORKS									
CAPITAL IMPROVEMENT PROJECTS	SALARIES	351,913	296,273	125,836	-	-	-	-	0.0%
	BENEFITS	368,291	323,110	61,375	-	-		-	0.0%
	CAPITAL	38,359,581	79,449,431	32,464,648	229,884,880	233,840,750	58,625,860	(175,214,890)	-74.9%
CAPITAL IMPROVEMENT PROJECTS Total		**39,079,785**	**80,068,814**	**32,651,859**	**229,884,880**	**233,840,750**	**58,625,860**	**(175,214,890)**	**-74.9%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
ENGINEERING	SALARIES	1,211,752	1,044,977	1,308,838	1,947,060	1,967,060	1,889,650	(77,410)	-3.9%
	BENEFITS	561,738	493,515	619,092	1,032,100	1,032,900	865,270	(167,630)	-16.2%
	ORG DEVELOPMENT	10,090	11,211	16,916	36,000	36,000	32,150	(3,850)	-10.7%
	OPERATING EXP	9,430	5,676	5,128	20,100	20,100	20,500	400	2.0%
	CONTRACT SERVICES	382,478	153,780	314,193	1,337,700	1,322,700	1,542,700	220,000	16.6%
	CAPITAL OUTLAY	2,000	2,333	1,379	16,200	16,200	16,600	400	2.5%
	UTILITIES	10,154	13,799	10,357	23,150	16,150	15,950	(200)	-1.2%
	DEBT SERVICE	17,787	-	-	-	-		-	0.0%
	TRANSFERS OUT	35,921	59,988	-	83,350	83,350	37,730	(45,620)	-54.7%
ENGINEERING Total		**2,241,350**	**1,785,278**	**2,275,902**	**4,495,660**	**4,494,460**	**4,420,550**	**(73,910)**	**-1.6%**
ENVIRONMENTAL	SALARIES	383,452	419,993	217,028	393,980	393,980	416,120	22,140	5.6%
	BENEFITS	185,635	183,010	114,807	205,450	205,450	203,630	(1,820)	-0.9%
	ORG DEVELOPMENT	15,282	9,925	10,089	14,580	14,580	18,580	4,000	27.4%
	OPERATING EXP	5,762	2,780	2,293	13,000	13,000	5,000	(8,000)	-61.5%
	CONTRACT SERVICES	202,978	364,486	352,247	1,112,710	1,072,710	321,060	(751,650)	-70.1%
	SOFTWARE	-	-	-	-	-	66,250	66,250	0.0%
	CAPITAL OUTLAY	-	2,993	-	7,010	7,010		(7,010)	-100.0%
	UTILITIES	480	503	955	1,000	1,000	500	(500)	-50.0%
	TRANSFERS OUT	-	-	-	-	-	350,000	350,000	0.0%
ENVIRONMENTAL Total		**793,589**	**983,691**	**697,418**	**1,747,730**	**1,707,730**	**1,381,140**	**(326,590)**	**-19.1%**
MAINTENANCE	SALARIES	8,437,549	9,420,289	8,242,036	11,335,980	11,426,580	11,817,740	391,160	3.4%
	BENEFITS	4,702,858	5,170,363	4,373,990	6,510,370	6,502,320	6,116,910	(385,410)	-5.9%
	ORG DEVELOPMENT	143,029	121,034	95,894	226,420	226,420	219,220	(7,200)	-3.2%
	OPERATING EXP	4,516,062	4,602,641	2,546,298	7,004,430	6,290,430	5,571,080	(719,350)	-11.4%
	CONTRACT SERVICES	8,545,288	10,655,331	8,197,096	17,806,860	17,690,860	16,279,750	(1,411,110)	-8.0%
	CAPITAL OUTLAY	47,312	42,780	26,858	121,600	121,600	117,600	(4,000)	-3.3%
	UTILITIES	5,061,415	5,991,005	4,226,924	6,816,750	6,967,250	7,197,900	230,650	3.3%
	CAPITAL	197,741	2,541,049	634,933	3,558,090	3,558,090	2,398,500	(1,159,590)	-32.6%
	DEBT SERVICE	1,011,945	963,835	963,595	990,070	989,700	959,490	(30,210)	-3.1%
	TRANSFERS OUT	3,565,970	6,619,110	-	9,007,750	9,007,750	7,018,120	(1,989,630)	-22.1%
MAINTENANCE Total		**36,229,168**	**46,127,437**	**29,307,624**	**63,378,320**	**62,781,000**	**57,696,310**	**(5,084,690)**	**-8.1%**
PALMDALE CCA	SALARIES	121,749	139,401	120,315	164,990	164,990	179,030	14,040	8.5%
	BENEFITS	54,510	54,726	58,689	85,410	85,410	86,680	1,270	1.5%
	ORG DEVELOPMENT	6,194	6,997	2,802	25,000	25,000	31,000	6,000	24.0%
	OPERATING EXP	3,510	324	2,685	855,250	855,250	859,250	4,000	0.5%
	CONTRACT SERVICES	59,094,433	72,205,157	42,676,268	69,207,830	69,207,830	70,608,580	1,400,750	2.0%
	CAPITAL OUTLAY	2,403	-	-	5,250	5,250	8,250	3,000	57.1%
	TRANSFERS OUT	4,095	13,761	-	-	-	20,580	20,580	0.0%
PALMDALE CCA Total		**59,286,894**	**72,420,367**	**42,860,759**	**70,343,730**	**70,343,730**	**71,793,370**	**1,449,640**	**2.1%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
OPERATING EXPENDITURES-ALL FUNDS BY DEPARTMENT/DIVISION

	Category	2024 Actuals	2025 Actuals	2026 YTD Actual	2026 Adopted	2026 Revised	2027 Draft Budget	$ Chg	% Chg
PUBLIC WORKS - ADMINISTRATION	SALARIES	1,128,880	1,226,230	813,686	1,180,060	1,179,060	1,369,310	190,250	16.1%
	BENEFITS	(168,992)	(121,296)	358,771	(363,420)	(363,350)	(650,040)	(286,690)	78.9%
	ORG DEVELOPMENT	14,850	15,131	18,815	31,200	31,830	23,800	(8,030)	-25.2%
	OPERATING EXP	4,900	8,245	6,861	11,000	11,000	10,500	(500)	-4.5%
	CONTRACT SERVICES	81,047	272,388	118,287	1,512,000	1,137,000	1,277,500	140,500	12.4%
	CAPITAL OUTLAY	2,597	165	-	6,000	6,000	5,000	(1,000)	-16.7%
	UTILITIES	2,620	3,596	1,640	3,860	3,860	4,640	780	20.2%
	DEBT SERVICE	9,360	-	-	10,200	10,200	-	(10,200)	-100.0%
	TRANSFERS OUT	6,840	11,422	-	15,880	15,880	36,890	21,010	132.3%
PUBLIC WORKS - ADMINISTRATION Total		**1,082,102**	**1,415,881**	**1,318,059**	**2,406,780**	**2,031,480**	**2,077,600**	**46,120**	**2.3%**
9. PUBLIC WORKS Total		**138,712,887**	**202,801,468**	**109,111,620**	**372,257,100**	**375,199,150**	**195,994,830**	**(179,204,320)**	**-47.8%**
Grand Total		**361,444,725**	**449,288,134**	**239,977,406**	**647,779,190**	**631,214,370**	**462,141,170**	**(169,073,200)**	**-26.8%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
MEASURE AV FUND

	Description	2024 Actuals	2025 Actuals	2026 Budget	2026 YTD Actual	2026 YE Projection	2027 Draft Budget	$ Chg	% Chg
1. Revenue									
1. Revenue	REVENUE	23,807,078	24,123,988	24,068,000	13,656,708	23,654,330	24,377,710	723,380	3.0%
1. Revenue Total		**23,807,078**	**24,123,988**	**24,068,000**	**13,656,708**	**23,654,330**	**24,377,710**	**723,380**	**3.0%**
2. Expenditure									
A. Public Safety	PUBLIC SAFETY	9,175,961	8,798,531	10,220,380	8,027,209	10,038,300	12,915,780	2,877,480	28.2%
	EMERGENCY MANAGEMENT	201,464	227,420	240,080	188,587	237,380	242,730	5,350	2.2%
A. Public Safety Total		**9,377,425**	**9,025,951**	**10,460,460**	**8,215,796**	**10,275,680**	**13,158,510**	**2,882,830**	**27.6%**
B. Beautification/Infrastructure/CIP	PARK MAINTENANCE MAV	295,114	516,279	8,000	104,179	223,320	515,620	292,300	3653.8%
	LANDSCAPE MAINTENANCE	-	217,273	-	-	-		-	0.0%
	FLEET MAINTENANCE	145,077	-	-	-	-		-	0.0%
	COMMUNITY PRESERVATION	-	6,019	2,365,330	1,273,410	2,395,330	2,208,130	(187,200)	-7.9%
	CITY FACILITIES	112,020	338,382	335,620	172,790	335,620		(335,620)	-100.0%
	CITY WIDE SECURITY	364,792	162,950	355,740	35,511	110,000		(110,000)	-30.9%
	HAMMACK CNT DEMO	-	38,365	128,570	10,775	10,780		(10,780)	-8.4%
	CHIMBOLE/LIBRARY/CITY HALL IMP	-	185,911	1,526,850	-	1,526,850		(1,526,850)	-100.0%
	PUB FACILITY ENERGY EFFICIENCY	-	3,201,521	3,000,870	766,830	766,830		(766,830)	-25.6%
	BATTERY STORAGE MCADAM	442,795	441,786	118,050	-	-		-	0.0%
	SAM YELLEN PARK	5,745,599	4,792,827	1,290,570	616,172	1,290,570		(1,290,570)	-100.0%
	SPORTS FIELD MAINTENANCE	2,132,751	605,652	1,322,360	229,233	1,322,360		(1,322,360)	-100.0%
	PARK MASTER PLAN	79,299	2,579	-	-	-		-	0.0%
	SPORTS FIELD LED LIGHT RETROFI	964,041	-	-	-	-		-	0.0%
	BOTW SNACK BAR	-	17,550	482,450	432,706	482,450		(482,450)	-100.0%
	MCADAM PARK RENOV	125,015	269,678	10,156,560	332,625	10,356,560		(10,356,560)	-102.0%
	COURSON REVITALIZATION	-	-	2,356,900	-	2,356,900		(2,356,900)	-100.0%
	MK PARK POOL ENCLOSURE	-	-	702,530	-	702,530		(702,530)	-100.0%
	MCADAM CULTURAL ART	-	-	150,000	-	150,000		(150,000)	-100.0%
	DRYTOWN DROPSLIDE	-	-	1,149,980	8,871	1,149,980		(1,149,980)	-100.0%
	OASIS PARK BASIN UPGRADE	-	-	-	-	-	2,500,000	2,500,000	0.0%
	PARKING ENF/SIGNAGE/SWEEPING	121,154	337,283	29,670	27,648	29,670		(29,670)	-100.0%
B. Beautification/Infrastructure/CIP Total		**10,593,582**	**11,168,811**	**25,480,050**	**4,033,815**	**23,209,750**	**5,223,750**	**(17,986,000)**	**-70.6%**
C. Community Programs	MAV ADMINISTRATION	1,900	55,487	1,175,000	5,700	40,000	80,000	40,000	3.4%
	COMMUNITY PROGRAMS	-	-	-	-	-	70,000	70,000	0.0%
	MAV S.A.V.E.S.	224,633	216,284	422,340	124,106	380,740	752,820	372,080	88.1%
	PARKS ADMIN MAV	13,232	13,784	30,000	14,184	30,000	30,000	-	0.0%
	SENIOR CENTER MAV	343,611	369,814	506,860	319,361	488,460	471,230	(17,230)	-3.4%
	SPECIAL EVENTS MAV	844,119	1,070,303	1,480,730	929,415	1,480,730	1,548,100	67,370	4.5%
C. Community Programs Total		**1,427,496**	**1,725,671**	**3,614,930**	**1,392,766**	**2,419,930**	**2,952,150**	**532,220**	**14.7%**
D. Economic Development	MAV ECON DEV	274,343	973,715	1,916,380	738,612	1,241,370	2,828,500	1,587,130	82.8%
D. Economic Development Total		**274,343**	**973,715**	**1,916,380**	**738,612**	**1,241,370**	**2,828,500**	**1,587,130**	**82.8%**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
MEASURE AV FUND

	Description	2024 Actuals	2025 Actuals	2026 Budget	2026 YTD Actual	2026 YE Projection	2027 Draft Budget	$ Chg	% Chg
E. Administrative Costs	MAV ADMINISTRATION	10,000	-	10,000	-	10,000		(10,000)	-100.0%
	MAV ADMINISTRATION	77,972	86,867	98,000	78,293	98,000	220,260	122,260	124.8%
E. Administrative Costs Total		**87,972**	**86,867**	**108,000**	**78,293**	**108,000**	**220,260**	**112,260**	**103.9%**
Expenditure Total		**21,760,818**	**22,981,015**	**41,579,820**	**14,459,283**	**37,254,730**	**24,383,170**	**(12,871,560)**	**-34.6%**
Surplus/(Deficit)		**2,046,259**	**1,142,973**	**(17,511,820)**	**(802,575)**	**(13,600,400)**	**(5,460)**		
Beginning Fund Balance						**22,759,039**	**9,158,639**		
Change in Fund Balance						**(13,600,400)**	**(5,460)**		
Ending Fund Balance - Before Reserves						**9,158,639**	**9,153,179**		
Reserve Requirement - 10% (Presented 30% for FY27)						**3,725,473**	**7,314,951**		
Ending Fund Balance - After Reserves						**5,433,166**	**1,838,228**		

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
B0004	**ADA COMPLIANCE**	203	PROP A FUND	-	395,420		395,420
		206	LOCAL TRANSP FUND ART 3	23,800	204,930		204,930
		220	PARK DEVELOPMENT FUND	34,153	125,000		125,000
B0004 Total				**57,953**	**725,350**		**725,350**
B0013	**ADA COMP-AVE Q 12/10TH-12TH E**	214	PROP C LOCAL RETURN	-	55,800		55,800
		280	CDBG FUND	6,330	65,760		65,760
B0013 Total				**6,330**	**121,560**		**121,560**
D0001	**AMARGOSA DRAINAGE**	222	AMARGOSA DRAINAGE FUND	-	20,000		20,000
D0001 Total				**-**	**20,000**		**20,000**
D0002	**ANAVERDE DRAINAGE**	223	ANAVERDE DRAINAGE FUND	-	20,000		20,000
D0002 Total				**-**	**20,000**		**20,000**
D0003	**PORTAL RIDGE DRAINAGE**	224	PORTAL RIDGE DRAINAGE FUND	-	20,000		20,000
D0003 Total				**-**	**20,000**		**20,000**
D0004	**PEARLAND DRAINAGE**	225	PEARLAND DRAINAGE FUND	2,468	19,620		19,620
D0004 Total				**2,468**	**19,620**		**19,620**
D0008	**AMARGOSA CRK UPPER RECHG PROJ**	156	PUBLIC ART FUND	-	90,000		90,000
		211	MEASURE A LA COUNTY PARKS	388,292	915,680		915,680
		222	AMARGOSA DRAINAGE FUND	13,031	502,920		502,920
		223	ANAVERDE DRAINAGE FUND	-	296,920		296,920
		224	PORTAL RIDGE DRAINAGE FUND	-	448,700		448,700
		225	PEARLAND DRAINAGE FUND	34,870	944,200		944,200
		226	LITTLEROCK DRAINAGE FUND	24,260	50,000		50,000
		230	BIG ROCK DRAINAGE FUND	22,822	73,400		73,400
D0008 Total				**483,275**	**3,321,820**		**3,321,820**
D0118	**PEARLAND DRAINAGE PLAN STUDY**	225	PEARLAND DRAINAGE FUND	-	500,330		500,330
D0118 Total				**-**	**500,330**		**500,330**
D0119	**OASIS PARK BASIN UPGRADE**	225	PEARLAND DRAINAGE FUND	83,919	1,158,650		1,158,650
D0119 Total				**83,919**	**1,158,650**		**1,158,650**
D0120	**40TH E/AVE R DRAINAGE IMPRV**	225	PEARLAND DRAINAGE FUND	62,927	2,257,630		2,257,630
D0120 Total				**62,927**	**2,257,630**		**2,257,630**
D0171	**DRNG IMPR 25 W OLIVE DR/AVE S**	225	PEARLAND DRAINAGE FUND	-	-		-
D0171 Total				**-**	**-**		**-**
D0173	**TS HILARY-BERNARDIN WALL RPR**	225	PEARLAND DRAINAGE FUND	-	-		-
D0173 Total				**-**	**-**		**-**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
F0010	**CITY FACILITIES**	101	GENERAL FUND	73	-		-
		157	MEASURE AV	172,790	335,620		335,620
		229	PUBLIC FACILITIES FUND	71,135	494,930		494,930
		240	FEDERAL FUNDS FUND	656,983	1,211,610		1,211,610
	CITY FACILITIES ARPA	158	AMERICAN RESCUE PLAN FUND	-	3,801,330		3,801,330
F0010 Total				**900,981**	**5,843,490**		**5,843,490**
F0028	**PTC WAYFINDING SIGNAGE**	203	PROP A FUND	-	100,000		100,000
F0028 Total				**-**	**100,000**		**100,000**
F0047	**LIBRARY IMPROVEMENTS**	241	STATE GRANTS FUND	273,000	273,000		273,000
F0047 Total				**273,000**	**273,000**		**273,000**
F0052	**PLAYHOUSE HVAC UPGRADE**	220	PARK DEVELOPMENT FUND	-	-		-
		229	PUBLIC FACILITIES FUND	-	-		-
F0052 Total				**-**	**-**		**-**
F0060	**PTC TRANSIT INFRSTR IMPR**	209	MEASURE M FUND	-	1,659,330		1,659,330
F0060 Total				**-**	**1,659,330**		**1,659,330**
F0062	**SAVES/OASIS GENERATORS**	241	STATE GRANTS FUND	-	-		-
F0062 Total				**-**	**-**		**-**
F0083	**CITY WIDE SECURITY**	157	MEASURE AV	35,511	110,000		110,000
		203	PROP A FUND	-	-		-
F0083 Total				**35,511**	**110,000**		**110,000**
F0121	**CITY DEV SVCS ELEVATOR REPAIR**	229	PUBLIC FACILITIES FUND	-	118,850		118,850
F0121 Total				**-**	**118,850**		**118,850**
F0122	**FIRE SUPRESSION RETROFITTING**	229	PUBLIC FACILITIES FUND	-	-		-
F0122 Total				**-**	**-**		**-**
F0137	**OASIS GENERATOR**	158	AMERICAN RESCUE PLAN FUND	-	-		-
F0137 Total				**-**	**-**		**-**
F0148	**OASIS REC CNTR ROOF**	101	GENERAL FUND	-	-		-
F0148 Total				**-**	**-**		**-**
F0156	**HAMMACK CNT DEMO**	157	MEASURE AV	10,775	10,780		10,780
		158	AMERICAN RESCUE PLAN FUND	-	-		-
F0156 Total				**10,775**	**10,780**		**10,780**
F0161	**CHIMBOLE/LIBRARY/CITY HALL IMP**	101	GENERAL FUND	-	12,019,100		12,019,100
		157	MEASURE AV	-	1,526,850		1,526,850
		158	AMERICAN RESCUE PLAN FUND	478,199	4,289,250		4,289,250
		280	CDBG FUND	-	-	1,000,000	1,000,000
F0161 Total				**478,199**	**17,835,200**	**1,000,000**	**18,835,200**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
F0164	FACILITIES REPAIR P&R BLDG	229	PUBLIC FACILITIES FUND	2,520	31,050		31,050
F0164 Total				2,520	31,050		31,050
F0178	SAVES TENANT IMPR	158	AMERICAN RESCUE PLAN FUND	247,000	1,435,520		1,435,520
		280	CDBG FUND	-	1,000,000	-	1,000,000
F0178 Total				247,000	2,435,520	-	2,435,520
F0188	TV LINC	158	AMERICAN RESCUE PLAN FUND	-	-		-
F0188 Total				-	-		-
G0007	PAVEMENT MANAGEMENT PROGRAM	207	LOCAL TRANSP FUND ART 8	50,128	346,520		346,520
		214	PROP C LOCAL RETURN	51,088	166,960		166,960
G0007 Total				101,216	513,480		513,480
G0026	PUBLIC WORKS SOFTWARE UPGRADE	201	GAS TAX FUND	9,000	105,320		105,320
G0026 Total				9,000	105,320		105,320
G0027	RITTER RANCH CFD 93-1 DEP AGMT	101	GENERAL FUND	-	-		-
G0027 Total				-	-		-
G0028	HIGH SPEED RAIL ADM REIMB AGMT	241	STATE GRANTS FUND	-	-		-
G0028 Total				-	-		-
G0030	GENERAL PLAN UPDATE	101	GENERAL FUND	75	80		80
		241	STATE GRANTS FUND	-	-		-
G0030 Total				75	80		80
G0095	PUB FAC ENERGY EFFICIENCY	101	GENERAL FUND	-	-		-
		158	AMERICAN RESCUE PLAN FUND	-	-		-
	PUB FACILITY ENERGY EFFICIENCY	157	MEASURE AV	766,830	766,830		766,830
G0095 Total				766,830	766,830		766,830
G0096	BATTERY STORAGE MCADAM	157	MEASURE AV	-	-		-
	BATTERY STORAGE PROJECT	205	AIR QUALITY IMPROVEMENT FUND	211,750	211,750		211,750
G0096 Total				211,750	211,750		211,750
G0157	DIGITAL EQUITY STUDY	241	STATE GRANTS FUND	65,749	254,930		254,930
G0157 Total				65,749	254,930		254,930
G0165	EECBG GRANT	241	STATE GRANTS FUND	-	-		-
G0165 Total				-	-		-
G0167	FACILITY ENERGY EFFICIENCY	101	GENERAL FUND	-	-		-
G0167 Total				-	-		-
G0168	RECORD DIGITIZATION	158	AMERICAN RESCUE PLAN FUND	132,826	463,050		463,050
G0168 Total				132,826	463,050		463,050
G0171	MULTIAGENCY REGIONAL RES CNTR	101	GENERAL FUND	-	-		-
G0171 Total				-	-		-

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
G0172	DOT CHARGING FACILITY INFR	240	FEDERAL FUNDS FUND	-	1,844,000		1,844,000
G0172 Total				-	1,844,000		1,844,000
L0013	LMD DESIGN AND RENOVATION	251	LANDSCAPE MAINTENANCE FUND	-	206,280		206,280
L0013 Total				-	206,280		206,280
L0088	PALM BLVD/47TH LNDSCP	214	PROP C LOCAL RETURN	27,565	147,990		147,990
L0088 Total				27,565	147,990		147,990
L0193	LMD 24 BOLZ RANCH RD	251	LANDSCAPE MAINTENANCE FUND	-	287,120		287,120
L0193 Total				-	287,120		287,120
L0194	LMD 24 N8/BOLZ RANCH RD	251	LANDSCAPE MAINTENANCE FUND	-	298,630		298,630
L0194 Total				-	298,630		298,630
P0009	SAM YELLEN PARK	156	PUBLIC ART FUND	19,072	39,070		39,070
		157	MEASURE AV	616,172	1,290,570		1,290,570
		211	MEASURE A LA COUNTY PARKS	-	-		-
		220	PARK DEVELOPMENT FUND	549,987	549,990		549,990
		241	STATE GRANTS FUND	260,000	260,000		260,000
P0009 Total				1,445,231	2,139,630		2,139,630
P0027	DRY TOWN WP-REFURBISHMENT	250	PARK ASSESSMENTS FUND	-	300,000	-	300,000
P0027 Total				-	300,000	-	300,000
P0042	COMMUNITY PUBLIC ART PROJECTS	156	PUBLIC ART FUND	-	8,870		8,870
		242	MISC GRANT/DEVELOPER CONTRIB	-	-		-
P0042 Total				-	8,870		8,870
P0052	MARIE KERR PARK N RIDE	203	PROP A FUND	14,290	4,616,260	2,000,000	6,616,260
		211	MEASURE A LA COUNTY PARKS	-	-	2,383,740	2,383,740
		224	PORTAL RIDGE DRAINAGE FUND	-	1,000,000		1,000,000
P0052 Total				14,290	5,616,260	4,383,740	10,000,000
P0055	ARNIE QUINONES PARK	220	PARK DEVELOPMENT FUND	-	175,000	250,000	425,000
P0055 Total				-	175,000	250,000	425,000
P0105	MK PARK SWIM DECK	157	MEASURE AV	23,065	-		-
		211	MEASURE A LA COUNTY PARKS	571,712	610,310		610,310
P0105 Total				594,777	610,310		610,310
P0109	SPORTS FIELD MAINTENANCE	157	MEASURE AV	229,233	1,322,360		1,322,360
P0109 Total				229,233	1,322,360		1,322,360
P0110	PARK MASTER PLAN	157	MEASURE AV	-	-		-
P0110 Total				-	-		-
P0111	SPORTS FIELD LED LIGHT RETROFI	157	MEASURE AV	-	-		-
P0111 Total				-	-		-

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
P0115	**DESERT SANDS PARK IMPROVEMENTS**	229	PUBLIC FACILITIES FUND	-	-		-
P0115 Total				**-**	**-**		**-**
P0117	**BOTW SNACK BAR**	101	GENERAL FUND	182,609	270,200		270,200
		157	MEASURE AV	432,706	482,450		482,450
		158	AMERICAN RESCUE PLAN FUND	-	-		-
P0117 Total				**615,315**	**752,650**		**752,650**
P0130	**MCADAM PARK RENO**	242	MISC GRANT/DEVELOPER CONTRIB	-	275,000		275,000
	MCADAM PARK RENOV	157	MEASURE AV	332,625	10,356,560		10,356,560
		254	SEWER MAINT ASSESSMENT DIST	-	200,000		200,000
P0130 Total				**332,625**	**10,831,560**		**10,831,560**
P0131	**COURSON REVITALIZATION**	101	GENERAL FUND	-	150,000		150,000
		157	MEASURE AV	-	2,356,900		2,356,900
	COURSON REVITALIZATION GRNT	242	MISC GRANT/DEVELOPER CONTRIB	71,817	3,787,310		3,787,310
P0131 Total				**71,817**	**6,294,210**		**6,294,210**
P0140	**MK PARK POOL ENCLOSURE**	157	MEASURE AV	-	702,530		702,530
P0140 Total				**-**	**702,530**		**702,530**
P0144	**BARREL SPRINGS TRL IMPR**	242	MISC GRANT/DEVELOPER CONTRIB	-	100,000		100,000
P0144 Total				**-**	**100,000**		**100,000**
P0151	**MCADAM CULTURAL ART**	156	PUBLIC ART FUND	-	75,000		75,000
		157	MEASURE AV	-	150,000		150,000
		220	PARK DEVELOPMENT FUND	-	75,000		75,000
P0151 Total				**-**	**300,000**		**300,000**
P0172	**PELONA VISTA P&R LIGHTING**	203	PROP A FUND	-	93,040		93,040
P0172 Total				**-**	**93,040**		**93,040**
P0180	**PLAYHOUSE INFR MAINT**	220	PARK DEVELOPMENT FUND	94,406	275,000		275,000
P0180 Total				**94,406**	**275,000**		**275,000**
P0181	**DT LITTLE MINER REFURB**	300	WATER PARK	3,271	80,120		80,120
P0181 Total				**3,271**	**80,120**		**80,120**
P0182	**DT PATHWAY LIGHTING RETROFIT**	300	WATER PARK	-	316,040		316,040
P0182 Total				**-**	**316,040**		**316,040**
P0183	**DT SPLASH POOL REPAIR**	300	WATER PARK	-	-		-
P0183 Total				**-**	**-**		**-**
P0184	**DT TWR B MECHANICAL REFURB**	300	WATER PARK	-	156,380		156,380
P0184 Total				**-**	**156,380**		**156,380**
P0185	**DT TWR B REPAIRS**	300	WATER PARK	89	44,000		44,000
P0185 Total				**89**	**44,000**		**44,000**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
P0190	**ADA SIDEWALKS**	280	CDBG FUND	270,045	649,690		649,690
P0190 Total				**270,045**	**649,690**		**649,690**
P0191	**ADA PLAYGROUND IMPR**	280	CDBG FUND	-	500,000		500,000
P0191 Total				**-**	**500,000**		**500,000**
P0192	**DRYTOWN DROPSLIDE**	101	GENERAL FUND	1,355,187	2,823,850		2,823,850
		157	MEASURE AV	8,871	1,149,980		1,149,980
P0192 Total				**1,364,058**	**3,973,830**		**3,973,830**
P019X	**OASIS PARK BASIN UPGRADE**	157	MEASURE AV	-	-	2,500,000	2,500,000
P019X Total				**-**	**-**	**2,500,000**	**2,500,000**
S0025	**STREET RESURFACING PROGRAM**	201	GAS TAX FUND	7,371,434	8,721,500	200,000	8,921,500
		207	LOCAL TRANSP FUND ART 8	146,047	885,570	413,440	1,299,010
		210	ROAD MAINT & REHAB ACCT FUND	1,518,318	1,709,270		1,709,270
		214	PROP C LOCAL RETURN	1,676,917	3,452,400	3,300,000	6,752,400
S0025 Total				**10,712,716**	**14,768,740**	**3,913,440**	**18,682,180**
S0040	**RANCHO VISTA GRADE SEP PH II**	201	GAS TAX FUND	56,102	893,570		893,570
		208	MEASURE R FUND	-	500,000		500,000
	RANCHO VISTA GRADE SEP PH 2	218	MEASURE R LOCAL RETURN	-	-	500,000	500,000
	RVB GRADE SEPARATION PHASE II	240	FEDERAL FUNDS FUND	-	-	23,000,000	23,000,000
S0040 Total				**56,102**	**1,393,570**	**23,500,000**	**24,893,570**
S0044	**NO CO FORUMITS EXPANSION**	204	PROP C FUND	680,194	936,040		936,040
	NO CO FORUM ITS EXPANSION	203	PROP A FUND	201,013	2,190,590		2,190,590
S0044 Total				**881,206**	**3,126,630**		**3,126,630**
S0049	**SR 138 PALMDALE BLVD 5TH/10TH**	208	MEASURE R FUND	353,187	19,442,630		19,442,630
S0049 Total				**353,187**	**19,442,630**		**19,442,630**
S0050	**SR 138/10TH ST W INTERCHANGE**	208	MEASURE R FUND	18,430	23,447,170		23,447,170
S0050 Total				**18,430**	**23,447,170**		**23,447,170**
S0051	**SR 138/PLMDL BLVD SB 14 RAMP**	208	MEASURE R FUND	8,466,761	22,549,870		22,549,870
		209	MEASURE M FUND	936,924	1,156,200		1,156,200
S0051 Total				**9,403,685**	**23,706,070**		**23,706,070**
S0052	**SR 138(SR 14) WDEN RVB TO BLVD**	208	MEASURE R FUND	-	-		-
S0052 Total				**-**	**-**		**-**
S0055	**SR 138 AVE N OVERCROSSING**	208	MEASURE R FUND	-	6,256,620		6,256,620
S0055 Total				**-**	**6,256,620**		**6,256,620**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
S0058	**AVE R COMPLETE STRT & SAFE RTS**	201	GAS TAX FUND	374,785	374,790		374,790
		207	LOCAL TRANSP FUND ART 8	27,737	27,740		27,740
		209	MEASURE M FUND	(6,296)	-		-
		240	FEDERAL FUNDS FUND	-	-		-
S0058 Total				**396,226**	**402,530**		**402,530**
S0061	**AVENUE R ITS SIGNAL SYNC**	203	PROP A FUND	78,804	583,980		583,980
		204	PROP C FUND	-	2,880,170		2,880,170
S0061 Total				**78,804**	**3,464,150**		**3,464,150**
S0062	**COUNTY PAVEMENT PROJ**	207	LOCAL TRANSP FUND ART 8	46,963	242,990		242,990
		210	ROAD MAINT & REHAB ACCT FUND	-	-		-
	COUNTY PAVEMENT PROJ CONTRIB	201	GAS TAX FUND	-	735,780		735,780
		254	SEWER MAINT ASSESSMENT DIST	-	364,800		364,800
	COUNTY PAVEMENT PROJECT	218	MEASURE R LOCAL RETURN	-	168,900		168,900
		219	MEASURE M LOCAL RETURN	-	575,090		575,090
S0062 Total				**46,963**	**2,087,560**		**2,087,560**
S0066	**HSIP ROUNDABOUT @ S-8 & 40TH E**	208	MEASURE R FUND	-	-		-
		240	FEDERAL FUNDS FUND	-	-		-
	S8 & 40TH EAST	218	MEASURE R LOCAL RETURN	159,044	159,050		159,050
	S8 & 40TH EST	156	PUBLIC ART FUND	-	-		-
S0066 Total				**159,044**	**159,050**		**159,050**
S0067	**CIVIC CENTER COMPLETE STREETS**	201	GAS TAX FUND	182	251,400		251,400
		218	MEASURE R LOCAL RETURN	26,626	304,950		304,950
		219	MEASURE M LOCAL RETURN	27,928	149,630		149,630
		241	STATE GRANTS FUND	52,921	282,800		282,800
S0067 Total				**107,657**	**988,780**		**988,780**
S0072	**RV AND SIERRA AT GRADE SEP**	204	PROP C FUND	-	1,272,290		1,272,290
S0072 Total				**-**	**1,272,290**		**1,272,290**
S0075	**RV BLVD SH RR SAFETY CROSSING**	240	FEDERAL FUNDS FUND	20,988	3,633,560		3,633,560
S0075 Total				**20,988**	**3,633,560**		**3,633,560**
S0077	**20TH STREET WEST BRIDGE**	242	MISC GRANT/DEVELOPER CONTRIB	-	742,100		742,100
S0077 Total				**-**	**742,100**		**742,100**
S0125	**AVE M SR14 TO 10TH PUB ART**	218	MEASURE R LOCAL RETURN	-	255,000		255,000
S0125 Total				**-**	**255,000**		**255,000**
S0126	**AVE M INTERCHG IMPRV**	208	MEASURE R FUND	-	6,615,380		6,615,380
S0126 Total				**-**	**6,615,380**		**6,615,380**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
S0142	**AVE M GRADE SEPARATION**	214	PROP C LOCAL RETURN	-	-		-
		219	MEASURE M LOCAL RETURN	1,533	500,000		500,000
		240	FEDERAL FUNDS FUND	-	2,000,000		2,000,000
S0142 Total				**1,533**	**2,500,000**		**2,500,000**
S0143	**GUARDRAIL MAINTENANCE**	201	GAS TAX FUND	-	3,720		3,720
S0143 Total				**-**	**3,720**		**3,720**
S0145	**AVE R SH RR SAFETY CRS**	240	FEDERAL FUNDS FUND	78,107	776,670		776,670
S0145 Total				**78,107**	**776,670**		**776,670**
S0146	**SR138 PLMD BLVD SIDEWALK GAP C**	209	MEASURE M FUND	-	50,000		50,000
S0146 Total				**-**	**50,000**		**50,000**
S0155	**MUSICAL ROAD**	158	AMERICAN RESCUE PLAN FUND	-	-		-
S0155 Total				**-**	**-**		**-**
S0169	**PARKING ENF/SIGNAGE/SWEEPING**	157	MEASURE AV	27,648	29,670		29,670
S0169 Total				**27,648**	**29,670**		**29,670**
S0175	**AVTA BUS STOPS**	203	PROP A FUND	-	-		-
S0175 Total				**-**	**-**		**-**
S0177	**AVTA BUS STOPS**	203	PROP A FUND	-	84,170		84,170
S0177 Total				**-**	**84,170**		**84,170**
S0186	**PALMDALE BLVD ACQ**	201	GAS TAX FUND	29,258	497,910		497,910
S0186 Total				**29,258**	**497,910**		**497,910**
S0187	**AVE T DESIGN & ENVIRONMENTAL**	210	ROAD MAINT & REHAB ACCT FUND	358,510	2,496,410		2,496,410
S0187 Total				**358,510**	**2,496,410**		**2,496,410**
S019X	**SS4A ACTIVE TRANSP PLAN**	203	PROP A FUND	-	-	100,000	100,000
		240	FEDERAL FUNDS FUND	-	-	400,000	400,000
S019X Total				**-**	**-**	**500,000**	**500,000**
S02XX	**SS4A 20TH EAST CORRIDOR**	219	MEASURE M LOCAL RETURN	-	-	1,345,540	1,345,540
		240	FEDERAL FUNDS FUND	-	-	5,382,160	5,382,160
S02XX Total				**-**	**-**	**6,727,700**	**6,727,700**
S02XY	**AVE R8 IMPROVEMENTS**	210	ROAD MAINT & REHAB ACCT FUND	-	4,300,000	4,500,000	8,800,000
		214	PROP C LOCAL RETURN	-	4,800,000	4,000,000	8,800,000
		218	MEASURE R LOCAL RETURN	-	6,000,000		6,000,000
S02XY Total				**-**	**15,100,000**	**8,500,000**	**23,600,000**
T0006	**TRAFFIC SIGNAL LEFT PHASING**	221	TRAFFIC IMPACT FUND	-	100,000		100,000
T0006 Total				**-**	**100,000**		**100,000**
T0027	**15 E/DR 138 INTERSCTN IMPR**	214	PROP C LOCAL RETURN	-	120,000		120,000
	15 E/SR 138 INTRSCTN IMPRVMT	204	PROP C FUND	-	148,190		148,190
T0027 Total				**-**	**268,190**		**268,190**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL IMPROVEMENT PROGRAM

CIP	Description	Fund	Fund Description	2026 YTD Actual	2026 Adopted	2027 Draft Budget	Total Proposed CIP Budget
T0031	AVE R 45TH ST E TRAFFIC SIGNAL	221	TRAFFIC IMPACT FUND	-	-		-
T0031 Total				-	-		-
T0032	RVB & DIVISION ST TRAFFIC	210	ROAD MAINT & REHAB ACCT FUND	18,854	736,890		736,890
T0032 Total				18,854	736,890		736,890
T0033	Traffic Signal - Auto Ctr & 5t	201	GAS TAX FUND	-	-		-
T0033 Total				-	-		-
T0127	TRAFFIC SIGNAL M & 20TH E	219	MEASURE M LOCAL RETURN	265,672	377,430		377,430
T0127 Total				265,672	377,430		377,430
T0129	RVB & ARMFIELD SIGNAL	210	ROAD MAINT & REHAB ACCT FUND	-	-		-
T0129 Total				-	-		-
T0163	CITYWIDE SIGNAL MOD	218	MEASURE R LOCAL RETURN	29,302	626,940		626,940
		240	FEDERAL FUNDS FUND	264,438	5,781,970		5,781,970
T0163 Total				293,739	6,408,910		6,408,910
T0170	TECHNOLOGY DR & 3 ST E	210	ROAD MAINT & REHAB ACCT FUND	-	1,150,000		1,150,000
T0170 Total				-	1,150,000		1,150,000
T0XXX	AVE M CORRIDOR & USAF IMPR	214	PROP C LOCAL RETURN	-	300,000		300,000
		240	FEDERAL FUNDS FUND	-	-	1,500,000	1,500,000
T0XXX Total				-	300,000	1,500,000	1,800,000
U0001	STORM DRAIN UPGRADE	219	MEASURE M LOCAL RETURN	-	3,000,000	443,300	3,443,300
		225	PEARLAND DRAINAGE FUND	166,488	2,059,610	607,680	2,667,290
		228	SEWER UPGRADE FUND	157,112	421,900		421,900
		254	SEWER MAINT ASSESSMENT DIST	-	2,700,000		2,700,000
U0001 Total				323,600	8,181,510	1,050,980	9,232,490
U0002	LIFT STATION ELIM SEWER REPAIR	254	SEWER MAINT ASSESSMENT DIST	-	1,929,920		1,929,920
U0002 Total				-	1,929,920		1,929,920
U0003	CITY WIDE SEWER REPAIRS	254	SEWER MAINT ASSESSMENT DIST	-	164,860		164,860
U0003 Total				-	164,860		164,860
U0004	SEWER MANHOLE REPAIR AND RAISE	254	SEWER MAINT ASSESSMENT DIST	-	-		-
U0004 Total				-	-		-
U0134	FLEET MAINTENANCE BLDG	101	GENERAL FUND	-	-	400,000	400,000
		205	AIR QUALITY IMPROVEMENT FUND	-	-	400,000	400,000
		214	PROP C LOCAL RETURN	-	-	1,900,000	1,900,000
		218	MEASURE R LOCAL RETURN	-	-	1,000,000	1,000,000
		219	MEASURE M LOCAL RETURN	-	-	1,100,000	1,100,000
		254	SEWER MAINT ASSESSMENT DIST	24,905	3,999,540	-	3,999,540
U0134 Total				24,905	3,999,540	4,800,000	8,799,540
Grand Total				32,651,859	233,840,750	58,625,860	292,466,610

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
PERSONNEL REQUESTS

Department	Division	Section	Position Title Requested	Status	FTE	Union (Y/N)	Funding Source	Annual Salary & Benefits Amount
New Position Requests								
Economic & Community Development	Planning		Office Assistant I/II	FT	1	N	General Fund	63,020
Public Safety	Public Safety		Parking Enfocement Officer	FT	1	N	General Fund	72,960
Parks & Recreation	Community Programs		Administrative Assistant	FT	1	N	General Fund	81,980
Public Works	Administration/CIP		Project Manager	FT	1	N	Various Project Funds	144,510
Public Works	Engineering		Assistant Engineer	FT	1	N	TDA 8/Special Funds	131,040
Public Works	Maintenance	Parks Maintenance	Maintenance Worker I/II	FT	1	Y	Measure AV	67,470
			New Position Total		**6**			**560,980**

CITY OF PALMDALE
FY 2027 DRAFT BUDGET
CAPITAL OUTLAY REQUESTS

	Capital Outlay - Technology	Department	Division / Section	Quantity	Funding Source	2027 Draft Budget
1	Password Manager	Operations	Information Technology	1	IT ISF	50,000
2	Network VideoRecorder (NVR) Storage	Operations	Information Technology	1	IT ISF	160,000
3	Avigilon System Support	Operations	Information Technology	1	IT ISF	125,000
4	Hard Drive Shredder	Operations	Information Technology	1	IT ISF	25,000
5	City Hall Internet Connection Enhancement	Operations	Information Technology	1	IT ISF	12,000
6	City Facility Fiber Upgrade	Operations	Information Technology	1	IT ISF	20,000
			Subtotal			**392,000**
	Equipment					
7	Pool Cover Replacements	Parks & Recreation	Acquatics	1	General Fund	75,000
8	Marie Kerr Pool Replaster	Parks & Recreation	Parks & Facilities	1	Park Development Fund	350,000
9	RFID Theft Prevention System	Parks & Recreation	Parks & Facilities	1	General Fund	53,900
10	Library Scanning Services	Parks & Recreation	Parks & Facilities	1	General Fund	120,000
11	Manzanita Park Playground	Parks & Recreation	Parks & Facilities	1	Park Development Fund	200,000
12	Playhouse Improvements	Parks & Recreation	Events & Culture	1	General Fund	290,000
13	Dog Agility Equipment	Parks & Recreation	Parks & Facilities	1	General Fund	15,000
14	Amphitheater Master Plan	Parks & Recreation	Parks & Facilities	1	Park Development Fund	50,000
			Subtotal			**1,153,900**
	Program Requests					
15	Gaming Program	Parks & Recreation	Recreation Centers	1	General Fund	42,000
16	Cultural Festival	Parks & Recreation	Events & Culture	1	General Fund	110,000
			Subtotal			**152,000**
	Vehicles/Equipment - Replacements					
17	508042 F450 Service Truck with Welder (508042)	Public Works	Maintenance - Parks	1	Fleet ISF	100,000
18	310434 F250 Service Body ZEV Pickup Truck (310434)	Public Works	Maintenance - Landscape	1	Fleet ISF	85,000
19	801158 Stump Grinder (801158/701158)	Public Works	Maintenance - Streets	1	Fleet ISF	80,000
20	812199 410 Backhoe (812199)	Public Works	Maintenance - Streets	1	Fleet ISF	240,000
21	310437 F250 Service Body ZEV Pickup Truck (310437)	Public Works	Maintenance - Landscape	1	Fleet ISF	85,000
22	312065 ZEV Pickup Truck (312065)	Public Works	Maintenance - Utility	1	Fleet ISF	85,000
23	908PD1 ECO250 Top Dresser	Public Works	Maintenance - Parks	1	Fleet ISF	16,000
24	Electric Bunker Rake	Public Works	Maintenance - Parks	1	Fleet ISF	40,000
			Subtotal			**731,000**
	Vehicles/Equipment - New					
25	F150 Truck or ZEV equivalent	Public Works	Maintenance - Parks	1	Fleet ISF	85,000
26	Ramptek 28' Tandem Axle Trailer	Public Works	Maintenance - Traffic	1	Fleet ISF	20,000
27	Class C Equipment Transport Trailer (9999 gvw)	Public Works	Maintenance - Parks	1	Fleet ISF	30,000
28	Tractor with Boom Mower	Public Works	Maintenance - Landscape	1	Fleet ISF	440,000
29	Peterson Grapple-Rolloff Truck	Public Works	Maintenance - CPP	1	Fleet ISF	410,000
30	Toro Dingo Tractor w. Grapple-Brush Mower	Public Works	Maintenance - CPP	1	Fleet ISF	50,000
31	Toro Dingo Concrete Breaker Attachment	Public Works	Maintenance - Landscape	1	Fleet ISF	12,500
32	HD Utility Vehicle	Public Works	Park Maintenance	1	Fleet ISF	25,000
			Subtotal			**1,072,500**
			Grand Total			**3,501,400**

Acronyms

AB	Assembly Bill
ACA	Affordable Care Act
ACFR	Annual Comprehensive Financial Report
AD	Assessment District
ADA	Americans with Disabilities Act
AJCC	America's Job Center of California
AUMA	Adult Use of Marijuana Act
AVEK	Antelope Valley-Eastern Kern Water Agency
AVTA	Antelope Valley Transit Authority
CC	City Council
CCA	Community Choice Aggregation
CDBG	Community Development Block Grant
CFD	Community Facilities District
CIP	Capital Improvement Program
COP	Certificates of Participation
CRA	Community Redevelopment Agency
CSMFO	California Society of Municipal Finance Officers
DAB	Development Advisory Board
DDA	Disposition & Development Agreement
EOC	Emergency Operations Center
EPIC	Energy for Palmdale's Independent Choice
ERAF	Educational Revenue Augmentation Fund
FEMA	Federal Emergency Management Agency
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GAVEA	Greater Antelope Valley Economic Alliance
GFOA	Government Finance Officers Association
GIS	Geographical Information System
HSIP	Highway Safety Improvement Program
HUD	U.S. Department of Housing and Urban Development
HVAC	Heating, Ventilation and Air Conditioning
IDA	Industrial Development Authority
JAG	Justice Assistance Grant
LAD	Landscape Assessment District
LAIF	Local Agency Investment Fund
LED	Light Emitting Diode

LMD	Landscape Maintenance District
MHP	Mobile Home Park
MMRSA	Medical Marijuana Regulation and Safety Act
MTA	Metropolitan Transportation Authority
NPDES	National Pollution Discharge Elimination System
NSP	Neighborhood Stabilization Program
O&M	Operations and Maintenance
OPA	Owner Participation Agreement
OPEB	Other Post-Employment Benefits
PAA	Palmdale Airport Authority
PCA	Palmdale Civic Authority
PCF	Palmdale Community Foundation
PERS	Public Employees' Retirement System
PFA	Palmdale Financing Authority
PROP	Proposition
PSO	Public Security Officer
RDA	Redevelopment Agency
RFP	Request for Proposals
RORF	Redevelopment Obligation Retirement Fund
RPTTF	Redevelopment Property Tax Trust Fund
SA	Successor Agency
SARC	School Accountability Report Card
SAVES	South Antelope Valley Emergency Services
SB	Senate Bill
SCAG	Southern California Association of Governments
SERAF	Supplemental Educational Revenue Augmentation Fund
STPL	Surface Transportation Program – Local
TOT	Transient Occupancy Tax
VLF	Vehicle License Fee
WIA	Workforce Investment Act
WIOA	Workforce Innovation and Opportunity Act

Terms

Accrual Basis – The method of accounting under which revenues and expenses are recorded when they occur, regardless of the timing of related cash flows. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned.

ACFR – The Annual Comprehensive Financial Report of the City which shows the financial status of the City.

Adoption – Formal action by the City Council that sets the spending limits for the fiscal year.

Appropriation – City Council authorization permitting the City to incur obligations and expend resources during the fiscal year.

Assessed Valuation – An official governmental value placed upon real estate or other property as a basis for levying taxes.

Assessments – Levies that pay for improvements directly benefiting the property owners.

Audit – A review of the City's accounts by an independent auditing firm to substantiate year-end fund balances, reserves, and cash on hand.

Balanced Budget – The City's operating revenues equal or exceed its operating expenditures.

Base Budget – Ongoing expense for personnel, contractual services, and the replacement of supplies and equipment to maintain service levels previously authorized by the City Council.

Beginning / Ending Fund Balance – Unencumbered resources available in a fund from the prior/current year after payment of the prior/current year's expenses. This is not necessarily cash on hand.

Bond – A funding tool representing a written promise to pay a specific sum (face value or principal amount) in the future (maturity date), plus interest. In local California government, bonds are only used to finance capital improvements. There are two types of bonds:

General Obligation Bond – A bond requiring a 2/3 vote of the registered voters and backed by the full faith, credit, and taxing power of the municipality.

Revenue Bond – A bond backed by either the revenue produced by the capital improvement or by commitment of a specific revenue source.

Bond Proceeds – Debt issuances derived from the sale of bonds for the purpose of constructing major capital facilities.

Budget – A financial plan listing proposed operational expenditures and revenue estimates for a particular time period. The budget is proposed until it has been approved and adopted by the City Council. Palmdale's budget encompasses one fiscal year (July 1 to June 30).

Budget Message – A general discussion of the proposed budget as presented in writing by the City Manager to the City Council. The message contains an explanation of principal budget items relative to the current year adopted budget.

Capital Budget – The appropriation of bonds, operating revenue, or fees for improvements to City facilities including buildings, streets, sewer lines, parks, traffic signals, drainage, etc.

Capital Improvement Program – A financial plan of proposed capital improvement projects with single and multiple-year capital expenditures. The City of Palmdale's Capital Improvement Program is a ten-year plan, which is updated annually.

Capital Improvement Projects (CIP) – A permanent addition to the City's assets, including the design, major renovation, construction, or purchase of land, buildings, or facilities. This includes physical structural improvements with a cost of $10,000 or more and a useful life of one year or more. Examples include a new park, building modifications, traffic signals, resurfacing of streets and drainage improvements.

Capital Outlay – A budget category that budgets all equipment having a unit cost of more than $5,000. Capital Outlay is budgeted in the operating budget as opposed to the capital improvement budget.

Contingency Fund – A budgetary reserve set aside for emergency or unanticipated expenditures.

Continuing Appropriation – Resources appropriated for a specific expenditure that is carried over from the prior fiscal year.

Debt Ratio – Total debt divided by total assets. Used by Finance to assess fiscal health, internal controls, etc.

Debt Service – Payments of principal and interest on an obligation resulting from the issuance of bonds, notes, or loans.

Debt Service Requirements – The amount of money required to pay principal and interest on outstanding debt or to accumulate monies for future retirement of term bonds.

Deficit – An excess of expenditures or expenses over resources.

Department – An organizational unit comprised of divisions or programs. This basic organizational unit of government is functionally unique in its delivery of services.

Division – An organizational component of a department.

Encumbrances – Resources committed for future expenditures as a result of signing executory contracts such as purchase orders and specific contracts for goods and services.

Enterprise Fund – An accounting entity that is financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis is financed or recovered primarily through user charges.

Expenditure – The actual spending of funds set aside by an appropriation.

Fiscal Year – A 12-month accounting period used by the City. The City of Palmdale's fiscal year begins July 1 and ends June 30.

Full Time Equivalent Position (FTE) – A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part time typist working 20 hours per week would be equivalent to 0.5 of a full-time position.

Fund – An independent fiscal and accounting entity with a self-balancing set of accounts to record revenue and expenditures.

Fund Balance – The amount of financial resources available for use.

GAAP – Generally Accepted Accounting Principles. Uniform standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

GASB – Governmental Accounting Standards Board is the current standards setting board for governmental GAAP.

General Fund – The primary fund of the City used to account for all revenues and expenditures related to municipal services and maintenance. Examples of departments financed by the General Fund include the City Council, Finance, Planning and Law Enforcement.

General Obligation Bond – A bond requiring a 2/3 vote of the registered voters and backed by the full faith, credit and taxing power of the municipality. This type of bond is used to finance capital improvements in local California governments.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

Grant – A contribution by a government or other organization to support a specific purpose, activity, or facility.

Infrastructure – Facilities upon which the continuance and growth of a community depend such as roads, sewers, public buildings, parks, etc.

Interfund Transfers – The reallocation of money from one fund to another. The receiving fund must spend the transferred money in a way that complies with any restrictions placed on the money when it was originally received by the donor fund.

Investment Policy – A written, Council adopted policy delineating permitted investments of the City's idle cash. The City of Palmdale Investment Policy is typically updated and reaffirmed annually.

Major Fund – Any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

Modified Accrual Basis – The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred.

Municipal Code – A book that contains City Council approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, business licensing, etc.

Objective – Desired output-oriented accomplishments that can be measured and achieved within a given time frame. Achievement of the objective advances the activity and organization toward a corresponding goal.

Operating Budget – Annual appropriation of funds for ongoing program costs including salaries and benefits, services and supplies, debt service, capital outlay, and capital improvements.

Operating Expenditures – Expenditures for materials, supplies, and services which are ordinarily consumed within a fiscal year and which are not included in departmental inventories.

Ordinance – A formal legislative enactment by the City Council that has the full force and effect of law within City boundaries unless preempted by a higher form of law. An ordinance has a higher legal standing than a resolution.

Palmdale Community Choice Aggregation (CCA) – The Palmdale CCA was formed in April 2019 through California Choice Energy Authority (CalChoice) via City Council resolution to purchase power on behalf of the City's residents.

Palmdale Community Foundation – A 501(c)(3) nonprofit organization organized under the California Nonprofit Public Benefit Corporation Law for public purposes.

PERS – Public Employees Retirement System.

Personnel – A budget category used to account for employee compensation including wages, salaries and fringe benefits such as health, life, and disability insurance, retirement, and car allowance/mileage.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function.

Property Tax – An *ad valorem* tax on real property based upon the value of the property.

Property Transfer Tax – A tax imposed whenever the ownership of real property changes.

Reimbursement – Payment of amount remitted on behalf of another party, department, or fund.

Reserve – An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution – A special order of the City Council having a lower legal standing than an ordinance.

Resources – Total amounts available for appropriation including estimated revenues, fund transfers, and beginning fund balances.

Revenue Bonds – A bond usually issued to construct facilities that is backed by either the revenue produced by the capital improvement or by commitment of a specific revenue source.

Revenues – Money received by the City from taxes, fees, permits, licenses, interest, etc. or from other governments during the fiscal year.

Special Revenue Funds – A fund used to account for revenues that are restricted in use by the City, State, or Federal Government.

Subventions – Intergovernmental revenues paid to the City by another government, such as the State.

Transfer – A transfer is a transaction whereby the fund receiving the revenue transfers money to the fund expending the revenue. An example would be an operating transfer from a Special Revenue Fund to the Capital Projects Fund for construction expenditures.

User Fees/Charges – Charges of a voluntary nature paid by the person receiving the service in exchange for the fee.

OFFICE OF THE CITY MANAGER

FY 2026-27 Draft Budget

City Council Meeting

Tuesday, May 5, 2026

City-wide Budget Summary

	FY 2026 Projected	FY 2027 Proposed
Beginning Balance	$ 406,378,318	$ 367,459,358
Revenues/Transfers In	592,295,410	470,201,960
Expenditures/Transfers Out	631,214,370	462,141,170
Estimated Ending Fund Balance – Before Reserves	367,459,358	375,520,148
Reserve Requirement	(64,541,845)	(59,688,267)
Estimated Ending Balance	$ 302,917,512	$ 315,831,880

General Fund Budget Summary

General Fund	FY 2026 Projected	FY 2027 Proposed	Amount Change	% Ch
Beginning Balance	$ 105,804,528	$ 97,206,778		
Revenues/Transfers In	148,339,730	128,080,100	(20,259,630)	-14%
Expenditures/Transfers Out	156,937,480	127,063,800	(29,873,680)	-19%
Estimated Ending Balance (Before Reserves/Restrictions)	**$97,206,778**	**$98,223,078**		
Reserve Requirement	47,081,244	38,119,140		
Restricted/Assigned Funds	35,000,000	35,000,000		
Estimated Ending Fund Balance – After Reserves	**$ 15,125,534**	**$ 25,103,938**		

General Fund Revenues

Description	FY 2026 Projected	FY 2027 Proposed	Amount Change	% Ch
Property Tax	$ 33,387,890	$ 34,468,920	$ 1,081,030	3%
Sales & Use Tax	50,384,610	51,726,520	1,341,910	3%
Transient Occupancy Tax	5,302,310	5,350,000	47,690	1%
Franchise Fees	9,731,100	9,683,100	(48,000)	-1%
Use Of Property	3,388,130	3,319,300	(68,830)	-2%
License & Permits	5,466,440	5,470,040	3,600	0%
Charges For Services	1,602,550	1,613,650	11,100	1%
Development Charges	3,278,700	3,091,850	(186,850)	-6%
Fines & Forfeitures	823,750	942,420	118,670	14%
Other Revenue	10,712,050	3,869,000	(6,843,050)	-75%
Transfer In	24,262,200	8,545,300	(15,716,900)	-65%
Total Revenues	**$ 148,339,730**	**$ 128,080,100**	**($ 20,256,630)**	**-14%**

General Fund Expenditures

Description	FY 2026 Projected	FY 2076 Proposed	Amount Change	% Ch
Salaries & Benefits	$ 32,629,470	$ 33,219,680	$ 590,210	2%
Organizational Development	839,050	722,440	(116,610)	-14%
Operating	17,687,600	14,439,340	(3,248,260)	-19%
Contract Services	26,821,570	26,867,590	46,020	0%
County Contracts	30,156,660	29,075,460	(1,081,200)	-4%
Utilities	3,282,090	3,238,670	(43,420)	-1%
Capital	15,839,250	669,140	(15,170,110)	-95%
Debt Service	4,622,250	4,612,630	(9,620)	0%
Transfers Out	23,539,540	12,183,850	(11,355,690)	-5%
Transfers Out – Reserves	1,520,000	2,035,000	515,000	3%
Total Expenditures	**$ 156,937,480**	**$ 127,063,800**	**($ 29,873,680)**	**-19%**

Measure AV

Measure AV Fund	FY 2026 Projected	FY 2027 Proposed	Amount Change	% Ch
Beginning Available Balance	$ 22,759,039	$ 9,158,639		
Total Revenues	**23,654,330**	**24,377,710**	**723,380**	**3%**
Expenditures				
Public Safety	10,275,690	13,158,510	2,882,830	28%
Beautification / Infrastructure / CIP	23,209,750	5,223,750	(17,986,000)	-71%
Community Programs	2,419,930	2,952,150	532,220	15%
Economic Development	1,241,370	2,828,500	1,587,130	83%
Administrative	108,000	220,260	112,260	104%
Total Expenditures	**37,254,730**	**24,383,170**	**(12,871,560)**	**-35%**
Estimated Fund Balance – Before Reserves	9,158,639	9,153,179		
Reserve Requirement (10%, Target 30%)	3,725,473	7,314,951		
Estimated Ending Fund Balance- After Reserves	**$ 5,433,166**	**$ 1,838,228**		

Other Funds

Transportation funds are used exclusively for the repair, maintenance, or improvement of roadways and other transportation infrastructure.

The table below shows the FY 2027 Proposed Transportation fund expenditures:

Transportation Funds	FY 2026 Projected	FY 2027 Proposed
Gas Tax Fund	$ 15,761,840	$ 3,893,050
Prop A Fund	12,972,580	7,460,710
Prop C Fund	16,596,940	11,194,650
Local Transp Art 3 Fund	204,930	-
Local Transp Art 8 Fund	10,563,830	8,644,850
Measure R Fund	86,326,510	1,500,000
Measure M Fund	7,467,680	2,888,840
Total Expenditures	**$ 149,894,310**	**$ 35,582,100**

Capital Improvement Program

Project Type	FY 2026 Budget	FY 2027 Proposed Additions	FY 2027 Proposed CIP
Bicycle & Pedestrian	$ 846,910	$-	$ 846,910
Drainage	7,318,050	-	7,318,050
Facilities	28,417,220	1,000,000	29,417,220
General Improvements	4,159,440	-	4,159,440
Parks & Recreation	35,241,480	7,133,740	42,375,220
Sewer and Watershed	14,275,830	5,850,980	20,126,810
Streets	133,300,380	43,141,140	176,441,520
Traffic	9,341,420	1,500,000	10,841,420
Total Capital Improvement Projects	**$ 232,900,730**	**$ 58,625,860**	**$ 291,526,590**

Personnel

Department	Division	Title	FTE	$ Impact
Public Safety	Public Safety	Parking Enforcement Officer	1	$ 72,960
E&CD	Planning	Office Assistant I/II	1	63,020
Parks & Recreation	Community Programs	Administrative Assistant	1	81,980
Public Works	Administration	Project Manager	1	144,510
Public Works	Engineering	Assistant Engineer	1	131,040
Public Works	Maintenance	Maintenance Worker I/II	1	67,470
Total Requested			**6**	**$ 560,980**

Discussion