PALMDALE

a place to call home

CITY COUNCIL
SPECIAL MEETING
SUCCESSOR AGENCY
CITY COUNCIL CHAMBER
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550
MONDAY, NOVEMBER 9, 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 **two (2) 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.

Zoom Meeting Room ID: 833 9679 8389
Passcode: 366562
Phone Number: +1 669 444 9171 US

- Please press *9 to "Raise Your Hand" and wait for the host to ask you to unmute yourself.
- Press *6 to unmute your microphone
- Please state your name and city of residence for the record and begin

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

3. **PLEDGE OF ALLEGIANCE**

4. **PRESENTATIONS**

   4.1 Commendation to Garrett Rickert in honor of his retirement from the City of Palmdale

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

6. **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.

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 and Quarterly Investment Activity Report for September 2026.
SR Monthly and Quarterly Investment Report September 2026.docx
Rpt. Monthly and Quarterly Investment Report September 2026.pdf

6.3 Approve Requisitions with Merjan Enterprises, Inc. dba SOV Security for the purchase of surveillance camera and access control equipment for a total not to exceed amount of $670,092.13.
SR Requisition Nos. 270543 and 270561 with Merjan Enterprises, Inc.docx
Requisition No. 270543.pdf
Requisition No. 270561.pdf

6.4 Receive and File the annual activity report for Development Agreement pertaining to the Oasis Wellness Village Project located at the southeast corner of Palmdale Boulevard and Tierra Subida Avenue.
SR Agrmt No. A-5595 Development Agreement with Oasis Wellness Village Project.docx
Agrmt No. A-5595 Development Agreement with Oasis Wellness Village Project.pdf

6.5 Approve Agreement No. A-10116 with Converge Strategies, LLC, for planning and engineering services to support the U.S. Air Force Plant 42 (Plant 42) Installation Readiness Project for a total not to exceed $724,199, for a term of 18 months from the date of the Notice to Proceed.
SR Agrmt No. A-10116 with Converge Strategies LLC.docx
Agrmt No. A-10116 with Converge Strategies, LLC .pdf

6.6 Approve Fourth Amendment to Agreement with Pacific West Sound, Inc., to provide audio production and equipment services at the Palmdale Amphitheater increasing the amount of the agreement by $28,000 for a total amount not to exceed $1,116,475 for a term through June 30, 2027.
SR Agrmt No. A-7866 Fourth Amendment Contract with Pacific West Sound Inc.docx
Agrmt No. A-7866 Fourth Amendment with Pacific West Sound Inc.pdf
Agrmt No. A-7866 Third Amendment with Pacific West Sound, Inc.pdf
Agrmt No. A-7866 Second Amendment with Pacific West Sound, Inc.pdf
Agrmt No. A-7866 First Amendment with Pacific West Sound, Inc.pdf
Agrmt No. A-7866 with Pacific West Sound, Inc.pdf

6.7 Approve Agreement with Phoenix Group Information Systems for Citation

Processing Software and Related Services in an amount not to exceed $600,000 for a five-year term through November 3, 2031.

SR Agrmt No. A-10074 with Phoenix Group Information Systems.docx
Agrmt No. A-10074 with Phoenix Group Information Systems.pdf
Exh A - Scope of Work.pdf
Exh B - Cost Proposal.xlsx

6.8 Accept Notice of Completion (NOC) for Public Drainage Improvements for COPART located at the northwest corner of 40th Street East and Avenue L-8.

SR NOC Copart.docx
NOC.docx
Exh A List of Completed Public Improvements.pdf
Exh B Site Map.pdf
Exh C Project Photos.pdf

6.9 Accept Notice of Completion (NOC) for Public Sewer and Drainage Improvements for Trader Joe's Distribution Center located at the southeast corner of 10th Street West and Columbia Way.

SR NOC.docx
NOC.docx
List of Completed Public Improvements.pdf
Site Map.pdf
Project Photos.pdf

6.10 Approve First Amendment to Agreement with New Creation Builders for Design Services Phase I for South Antelope Valley Emergency Services (SAVES) Tenant Improvements and Relocation Project for a total not to exceed amount of $712,937, and extending the contract term to December 31, 2026.

SR Agrmt No. A-9143 First Amendment with New Creation Builders.docx
1st Amendment to Agrmt No. A-9143 New Creation Builders Inc.pdf
Agrmt No. A-9143 with New Creation Builders.pdf

6.11 Adopt Resolution No. CC 2026-061, a Resolution of the City Council of the City of Palmdale adopting an amended Conflict of Interest Code containing revised designated positions and disclosure categories and repealing all prior resolutions.

SR Reso. No. CC 2026-061 Conflict of Interest Code.docx
Reso. No. CC 2026-061 Conflict of Interest.docx
Appendices.docx

6.12 Approve the minutes from the previous meeting.

Mins 10 06 2026.pdf
Mins 10 20 2026.pdf

6.13 Adopt Resolution Nos. CC 2026-062 and CC 2026-063, Resolutions of the City Council of the City of Palmdale, initiating proceedings for the annexation of territory to the City of Palmdale Streetlight Maintenance Assessment District No.

1, as Annexation 2026-204, preliminarily approving the Annexation and Annual Levy Report, declaring the City's intention to annex territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204 and to levy and collect assessments for Fiscal Year 2026-27.

SR Reso. Nos. CC 2026-062 and CC 2026-063.docx
Reso. No. CC 2026-062.docx
Reso. No. CC 2026-063.docx
Rpt Annexation and Annual Levy.pdf
Assessment District Diagram.pdf

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

7.1 Adopt Resolution No. CC 2026-064, a Resolution of the City Council of the City of Palmdale approving the annexation and annual levy report for the annexation of certain territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204, and ordering the levy and collection of assessments within said assessment district for Fiscal Year 2026-27.

SR Reso. No. CC 2026-064.docx
Reso. No. CC 2026-064.docx
Rpt Annexation and Annual Levy.pdf
Exh A Certificate of Tabulation Official.docx
Assessment District Diagram.pdf

7.2 Adopt Ordinance No.1672, an Ordinance of the City Council of the City of Palmdale, approving Zoning Ordinance Amendment No. 26-0001 to modify Chapter 17.88 (Signs) and finding that the amendment is exempt from environmental review.

SR Ord. No. 1672.docx
Ord. No. 1672.docx
Reso. No. PC-2026-004.pdf

7.3 Adopt Resolution No. CC 2026-065, A Resolution of the City Council of the City of Palmdale approving the issuance of exempt facility bonds by the California Municipal Financing Authority (CMFA) in an aggregate outstanding principal amount not to exceed $20,000,000 to finance and refinance a 48-unit qualified residential rental project, located at 38732 9th Street E., in the City of Palmdale, for the benefit of 9th Street E. Housing, LP (or an Affiliate), and certain other matters relating thereto.

SR Reso. No. CC 2026-065 TEFRA.docx
Reso. No. CC 2026-065 TEFRA.docx

8. **APPOINTMENTS - Now is the time for public participation on the Appointments.**

8.1 Nominate and appoint one member to serve on the Antelope Valley Mosquito and Vector Control District Board.
SR AV Mosquito Vector Appointment.docx
Apps AVMVD.pdf

8.2 Nominate and appoint two Directors to represent the City of Palmdale on the Palmdale Aerospace Academy (TPAA) Board of Directors.
SR TPAA Appointments.docx
Apps TPAA.pdf

8.3 Review and provide direction on changes to existing committee appointments.
SR City Council Committee Appointments updated.pdf

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

9.1 Adopt Ordinance No. 1671, an Ordinance of the City Council of the City of Palmdale amending Palmdale Municipal Code Section 3.08.240 to establish reporting requirements for the exercise of delegated authority to the City Manager.
SR Ord. No. 1671, Amending PMC Section 3.08.240.docx
Ord. No. 1671, Amending PMC Section 3.08.240.docx

9.2 City Attorney Oversight Policy.
SR Adopt City Attorney Oversight Policy.docx
City Attorney Oversight Policy.docx

9.3 Automated External Defibrillator (AED) update.
SR AED Update.docx

10. **CITY MANAGER'S REPORT**

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

12. **ADJOURNMENT**



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

City Council Staff Report

DATE: **NOVEMBER 9, 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 SEPTEMBER 2026**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive and file the September 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 and quarterly 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 September, the City's total investment portfolio was valued at $370,915,533, an increase of $21,325,568 from the prior month and an increase of $64,663,211 over the same period last year. The monthly increase is primarily due to new investment purchases of $8,000,000 and investment into the Local Agency Investment Fund (LAIF) of $17,756,000, offset by some operational costs during the current month.

The Successor Agency's portfolio had a par value of $3,484,109 as of September, representing a decrease of $5,856,344 from the previous month. The decrease is attributed to the debt service payment made from the trustee account this 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.

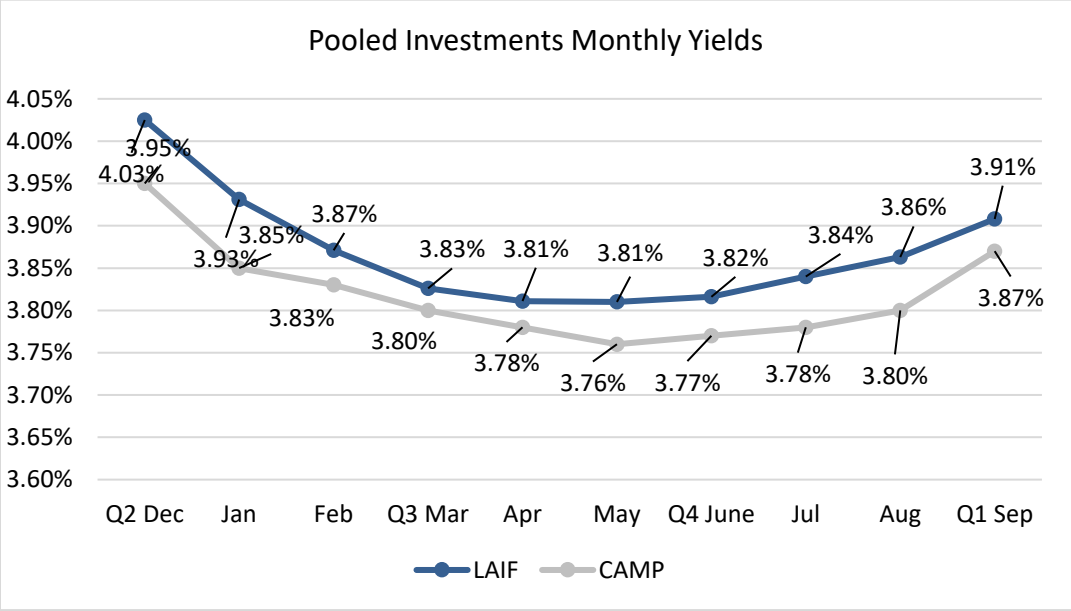
Liquidity

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 September, the City's LAIF balance totaled $141,273,112, an increase of $17,756,000 from the prior month, primarily due to transfers made from General bank to LAIF for the month. The Successor Agency's LAIF balance was $2,606,929, with no change from the prior month.

The City's CAMP balance at the end of September was $55,648,755, compared to $55,472,426 in August. 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 September 30, 2026, LAIF and CAMP were earning 3.908 percent and 3.87 percent, respectively. At the end of August, the rates were 3.863 percent for LAIF and 3.80 percent for CAMP. One year ago, LAIF and CAMP rates were 4.212 percent and 4.36 percent, respectively.



The chart above compares the average monthly yields of the City's LAIF and CAMP investment pools from December 2025 through September 2026. Both investment pools experienced a gradual decline in yields through April of 2026, followed by a period of stabilization and modest increases beginning in May. LAIF yields remained slightly above CAMP yields for most of the period and ended September 2026 at 3.91%, compared to 3.87% for CAMP.

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 September 30, 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 September 30, 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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Rpt. Monthly and Quarterly Investment Report September 2026

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 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	$ 4,945,900.00
01-03-24	06-30-27	CITY	91282CEW7 U.S. Treasury Note	0.04	5,000,000.00	4,897,630.28	4,958,500.00
01-03-24	09-30-27	CITY	91282CFM8 U.S. Treasury Note	0.04	2,500,000.00	2,523,771.66	2,499,600.00
12-18-24	09-30-29	CITY	91282CFL0 U.S. Treasury Note	0.39	5,000,000.00	4,977,094.45	4,957,250.00
12-18-24	10-31-29	CITY	91282CFT3 U.S. Treasury Note	0.40	5,000,000.00	4,988,321.47	4,974,800.00
12-18-24	11-30-29	CITY	91282CFY2 U.S. Treasury Note	0.39	5,000,000.00	4,942,086.29	4,954,100.00
01-02-25	12-31-29	CITY	91282CGB1 U.S. Treasury Note	0.39	3,000,000.00	2,949,835.02	2,971,980.00
11-17-25	09-30-30	CITY	91282CPA3 U.S. Treasury Note	3.63	3,000,000.00	3,015,470.91	2,935,770.00
01-23-26	06-30-29	CITY	91282CEV9 US Treasury Note	3.25	1,000,000.00	985,312.50	974,726.56
01-23-26	02-28-30	CITY	91282CGQ8 US Treasury Note	4.00	1,000,000.00	1,008,750.00	994,492.19
01-23-26	12-31-30	CITY	91282CJQ5 US Treasury Note	3.75	1,000,000.00	995,937.50	982,070.31
03-05-26	11-15-28	CITY	91282CPK1 US Treasury Note	3.50	2,000,000.00	1,997,812.50	1,970,468.76
03-16-26	04-15-28	CITY	91282CMW8 US Treasury Note	3.75	2,000,000.00	2,001,875.00	1,986,171.88
05-05-26	05-15-28	CITY	91282CND9 U.S. Treasury Note	3.75	2,000,000.00	1,993,750.00	1,985,625.00
05-05-26	10-15-28	CITY	91282CPC9 U.S. Treasury Note	3.50	2,000,000.00	1,980,312.50	1,971,406.26
06-17-26	01-31-28	CITY	91282CGH8 U.S. Treasury Note	3.50	2,000,000.00	1,984,375.00	1,979,921.88
06-23-26	11-30-27	CITY	91282CFZ9 U.S. Treasury Note	3.88	3,000,000.00	2,988,750.00	2,988,632.82
07-23-26	08-31-27	CITY	91282CNV9 U.S. Treasury Note	3.63	1,000,000.00	994,062.50	994,062.50
07-24-26	02-15-28	CITY	91282CMN8 U.S. Treasury Note	4.25	1,000,000.00	999,062.50	999,062.50
09-15-26	09-30-28	CITY	91282CJA0 U.S. Treasury Note	4.58	1,000,000.00	1,000,937.50	1,000,937.50
09-15-26	02-15-28	CITY	91282CMN8 U.S. Treasury Note	4.48	1,000,000.00	996,875.00	996,875.00
09-15-26	07-31-28	CITY	91282CRB9 U.S. Treasury Note	4.56	1,000,000.00	994,375.00	994,375.00
09-30-26	01-15-28	CITY	91282CMF5 U.S. Treasury Note	4.72	3,000,000.00	2,982,187.50	2,982,187.50
			TOTAL U.S. TREASURY SECURITIES		$ 57,500,000.00	$ 56,895,465.31	$ 56,998,915.66
GOVERNMENT AGENCY PAPER							
12-21-21	12-22-26	CITY	3133ENJC5 Federal Farm Credit	1.29	5,000,000.00	5,000,000.00	4,931,455.55
06-24-22	02-26-27	CITY	3130AL5A8 Federal Home Loan Note	3.33	5,000,000.00	4,479,000.00	4,899,467.95
08-17-22	10-27-26	CITY	3134GW4C7 Freddie Mac	0.80	5,000,000.00	4,539,500.00	4,950,573.55
01-06-23	02-25-27	CITY	3130AQRH8 Federal Home Loan Note	4.38	5,000,000.00	4,590,638.89	4,935,865.65
01-06-23	04-19-27	CITY	3130ARHJ3 Federal Home Loan Note	4.38	5,000,000.00	4,801,354.86	4,963,616.95
08-08-24	08-14-29	CITY	3134HADY6 Freddie Mac Domestic	4.00	4,000,000.00	3,946,000.00	3,972,921.76
12-03-24	12-04-29	CITY	3130B3XP3 Federal Home Loan	4.50	1,000,000.00	1,000,000.00	998,139.76
12-04-24	12-02-27	CITY	3133ERE23 Federal Farm Credit	4.32	1,000,000.00	1,000,000.00	997,746.37
01-27-25	07-27-27	CITY	3130B4RC7 Federal Home Loan Bank	4.50	3,000,000.00	3,000,000.00	3,009,604.20
06-27-25	04-30-29	CITY	3136GAGW3 Fannie Mae	4.75	5,000,000.00	5,000,000.00	4,994,054.65
09-08-25	10-08-27	CITY	3135G05Y5 Fannie Mae NTS	3.31	2,000,000.00	1,897,625.25	1,917,540.00
09-17-25	09-15-28	CITY	3133ETXV4 Federal Farm Credit Bond	3.83	1,400,000.00	1,402,403.14	1,388,086.00
11-17-25	11-06-30	CITY	3130B8BF8 Federal Home Loan	3.95	830,000.00	833,082.01	820,969.60
01-06-26	06-26-30	CITY	3133ET5K9 Federal Farm Credit Bank	4.07	3,000,000.00	2,998,500.00	2,971,004.52
01-06-26	01-06-31	CITY	3136GCCY9 Fannie Mae	4.00	4,000,000.00	4,000,000.00	3,940,567.36
03-05-26	03-05-29	CITY	3133EWFX3 Federal Farm Credit	3.70	2,000,000.00	1,997,000.00	1,972,536.22
03-10-26	09-10-29	CITY	3130B9RD4 Federal Home Loan	4.00	2,000,000.00	2,000,000.00	1,986,232.74
03-10-26	03-10-31	CITY	3134HCXZ7 Freddie Mac	3.70	2,000,000.00	1,988,000.00	1,959,273.60
03-17-26	03-14-28	CITY	3130B9WM8 Federal Home Loan	4.00	2,500,000.00	2,500,000.00	2,492,521.20
03-31-26	02-26-29	CITY	3134HCE96 Freddie Mac	4.21	1,500,000.00	1,500,000.00	1,494,781.64
04-14-26	04-14-31	CITY	3130BA4X2 Federal Home Loan	4.75	1,520,000.00	1,520,000.00	1,510,471.94
04-22-26	04-30-29	CITY	3133EWMX5 Federal Farm Credit	4.03	2,000,000.00	2,000,000.00	1,986,897.86
04-30-26	04-23-31	CITY	3130BAGD3 Federal Home Loan	4.20	2,000,000.00	2,000,000.00	1,981,046.92
05-12-26	11-12-30	CITY	3133EWPC8 Federal Farm Credit	4.30	2,000,000.00	2,000,000.00	1,981,030.80
05-28-26	05-25-29	CITY	3134HCV48 Freddie Mac	4.25	2,000,000.00	2,000,000.00	1,998,173.92
06-16-26	12-15-28	CITY	3130BAW52 Federal Home Loan	4.32	1,890,000.00	1,890,000.00	1,885,971.52
06-24-26	06-15-29	CITY	3130BBAN5 Federal Home Loan	4.50	2,000,000.00	2,000,000.00	1,997,573.66
06-30-26	12-21-28	CITY	3130BB6W0 Federal Home Loan	4.35	2,000,000.00	2,000,000.00	1,997,389.64
07-24-26	06-22-28	CITY	3133EWTU4 Federal Farm Credit	4.16	1,000,000.00	995,000.00	995,000.00
07-29-26	01-29-30	CITY	3130BBN76 Federal Home Loan	4.75	1,000,000.00	1,000,000.00	1,000,000.00

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
08-11-26	08-11-31	CITY	3130BBP41 Federal Home Loan	5.08	1,000,000.00	1,000,000.00	1,000,000.00
09-28-26	09-28-29	CITY	3130BCAL7 Federal Home Loan	5.00	2,000,000.00	2,000,000.00	2,000,000.00
			TOTAL GOVERNMENT AGENCY PAPER		$ 80,640,000.00	$ 78,878,104.15	$ 79,930,515.53
CERTIFICATES OF DEPOSIT							
01-04-24	12-28-28	CITY	09582YAV4 Blue Ridge Bank	4.09	240,000.00	240,948.00	239,988.00
06-13-24	06-13-29	CITY	89235MPP0 Toyota Financial SGS	4.65	245,000.00	245,000.00	247,411.78
01-14-26	01-14-31	CITY	46659CSR2 JP Morgan Chase Bank NA	4.00	250,000.00	250,000.00	244,602.18
02-13-26	02-14-28	CITY	178180HL2 City National Bank Beverly Hills	3.85	250,000.00	250,000.00	248,731.48
02-20-26	02-20-29	CITY	33622PAP8 First Security Bank	3.90	250,000.00	250,000.00	246,676.75
03-05-26	02-25-30	CITY	61778EQC8 Morgan Stanley	3.95	250,000.00	250,000.00	246,812.40
03-11-26	03-12-29	CITY	61776N2D4 Morgan Stanley	3.80	250,000.00	250,000.00	246,964.75
06-10-26	06-12-28	CITY	65504UAM9 Noble Federal Credit	4.10	250,000.00	250,000.00	249,440.25
06-18-26	06-20-28	CITY	949764XV1 Wells Fargo Bank	4.20	250,000.00	250,000.00	249,896.35
06-18-26	12-18-28	CITY	05612LLE0 BMW Bank of North America	4.25	250,000.00	250,000.00	249,888.10
06-18-26	06-18-29	CITY	53229WAE3 Lighthouse Credit Union	4.40	250,000.00	250,000.00	249,535.78
06-30-26	12-30-27	CITY	77357DAN8 Rockland Federal Credion Union	4.25	250,000.00	250,000.00	250,253.50
06-30-26	06-30-29	CITY	17290G5W3 Citi Bank NA	4.50	250,000.00	250,000.00	250,000.00
			TOTAL CERTIFICATES OF DEPOSIT		$ 3,235,000.00	$ 3,235,948.00	$ 3,220,201.32
CORPORATE BONDS							
01-04-24	03-02-28	CITY	718172CE7 Philip Morris Intl Inc	4.49	500,000.00	474,395.25	489,410.00
01-04-24	04-01-27	CITY	808513BW4 Charles Schaw Corp	4.68	500,000.00	479,390.25	496,595.00
01-09-24	07-09-27	CITY	22550L2K6 Crdit Suisse New York	4.92	500,000.00	500,910.25	503,835.00
01-09-24	08-15-28	CITY	797440CE2 San Diego G & E	4.49	500,000.00	509,340.25	504,120.00
01-09-24	07-01-27	CITY	75973QAA5 Reneissance Financial	5.01	500,000.00	475,470.25	495,455.00
08-27-24	02-01-29	CITY	06406RBN6 Bank of NY Mellon Corp	4.20	656,000.00	663,116.29	656,728.16
08-27-25	07-26-29	CITY	06406RBK2 Bank of Melon Corp	4.09	1,000,000.00	1,021,952.92	1,000,290.00
08-27-25	08-09-29	CITY	89236TMK8 Toyota Motor Crdt Corp	4.03	500,000.00	510,587.75	500,050.00
08-27-25	05-13-30	CITY	91324PDX7 United Health Group Inc	4.15	1,000,000.00	914,211.92	909,440.00
01-06-26	11-15-30	CITY	30303MAB8 Meta Platforms Inc Global	4.20	1,500,000.00	1,510,500.00	1,476,962.22
01-06-26	05-06-30	CITY	46647PBD7 JPMorgan Chase & Co	3.70	1,500,000.00	1,482,990.00	1,459,130.52
01-23-26	04-13-29	CITY	023135CG9 Amazon.com Inc	3.45	1,000,000.00	988,500.00	976,206.37
01-23-26	01-23-30	CITY	6174468G7 Morgan Stanley MTN	4.43	1,000,000.00	1,007,000.00	991,177.91
01-23-26	01-10-31	CITY	89236TPH2 Toyota Motor Credit Corp	4.20	1,000,000.00	998,300.00	982,770.35
02-12-26	02-12-31	CITY	95004HBB3 Wells Fargo Bank	4.15	2,000,000.00	2,000,000.00	1,958,254.26
02-23-26	02-23-29	CITY	06055JQF9 Bank of America Corp	4.05	2,000,000.00	2,000,000.00	1,937,547.64
03-05-26	11-20-30	CITY	023135CT1 Amazon.com Inc Global	4.10	1,500,000.00	1,510,500.00	1,475,218.92
03-05-26	02-15-31	CITY	02079KBK2 Alphabet Inc Global	4.10	1,000,000.00	1,006,000.00	983,570.40
03-05-26	03-21-29	CITY	59217GEZ8 Met Life Glob Funding	3.30	1,500,000.00	1,468,500.00	1,451,015.96
03-12-26	03-12-31	CITY	38151GAJ0 Goldman Sachs Bank	4.10	2,000,000.00	2,000,000.00	1,951,643.40
03-16-26	03-13-31	CITY	023135DD5 Amazon.com Inc Global	4.25	1,500,000.00	1,495,155.00	1,477,589.33
03-16-26	03-13-29	CITY	89236TPQ2 Toyota Motor Credit	4.05	1,000,000.00	997,600.00	988,984.12
04-23-26	05-07-30	CITY	57629TBX4 Massmutual Global	4.55	1,500,000.00	1,507,200.00	1,489,829.46
04-23-26	07-25-28	CITY	64952WFP3 New York Life Global	4.15	1,500,000.00	1,501,050.00	1,490,176.86
05-12-26	05-12-31	CITY	46660NBS1 JP Morgan Chase	4.88	2,000,000.00	2,000,000.00	1,987,112.80
06-23-26	06-15-29	CITY	67066GAQ7 Nvidia Corp	4.35	3,000,000.00	2,990,700.00	2,995,018.68
08-13-26	08-13-29	CITY	38151GBA8 Goldman Sachs Bank	5.00	2,000,000.00	2,000,000.00	2,000,000.00
			TOTAL CORPORATE BONDS		$ 34,156,000.00	$ 34,013,370.13	$ 33,628,132.36
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
09-01-84	n/a	CITY	98-19-620	3.83	$ 74,999,872.58	$ 74,999,872.58	$ 74,999,872.58
9-19-2024	n/a	PFA	40-19-078	3.83	36,500,000.00	36,500,000.00	51,429,215.06
9-28-2021	n/a	ARPA	19-19-004	3.83	14,844,024.23	14,844,024.23	14,844,024.23
			TOTAL LAIF ACCOUNTS		$ 126,343,896.81	$ 126,343,896.81	$ 141,273,111.87

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM							
6080-01	n/a	CITY	6080-01	3.87%	$ 55,648,755.01	$ 55,648,755.01	$ 55,648,755.01
		TOTAL CAMP ACCOUNTS			$ 55,648,755.01	$ 55,648,755.01	$ 55,648,755.01
UBS FINANCIAL SERVICES							
n/a	n/a	CITY		0.00	$ 215,901.34	$ 215,901.34	$ 215,901.34
		TOTAL UBS FINANCIAL SERVICES ACCOUNTS			$ 215,901.34	$ 215,901.34	$ 215,901.34
		TOTAL CITY INVESTMENTS			$ 357,739,553.16	$ 355,231,440.75	$ 370,915,533.09
			LIBRARY INVESTMENTS				
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
11-20-84	n/a	LIBRARY	16-19-012	3.83			$ 14,508.32
		TOTAL LIBRARY INVESTMENTS					$ 14,508.32
			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			$ 125.97
05-10-95	n/a	IMPROVEMENT	95421222	0.10			183,080.87
		TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1					$ 183,206.84
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			$ -
04-06-95	n/a	IMPV-ACQUI	95420884	0.01			-
04-06-95	n/a	BOND	95420887	0.15			-
06-30-26	n/a	Custody	299200000	n/a			2,921,120.31
		TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1					$ 2,921,120.31
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			$ 19.04
08-01-19	n/a	RESERVE	242969003	0.00			722,950.98
08-01-19	n/a	SP TAX - REFNDING BOND	242969004	0.01			15,152.51
		TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1					$ 738,122.53
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			$ 10,470.29
	n/a	RESERVE FUND	251009001	0.01			640,780.67
		TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021					$ 651,250.96

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 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			$ 1,420.94
11-08-06	n/a	ADM EXP	106844002	0.01			1,883.94
11-08-06	n/a	RESERVE FUND	106844003	0.01			80,732.48
			TOTAL 2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB				$ 84,037.36
2015 HA DEBT SERVICE RESERVE							
Fiscal Agent: Bank of America							
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08			$ 41,462.80
			TOTAL 2015 HA DEBT SERVICE RESERVE				$ 41,462.80
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND							
05-23-18	n/a	CITY	104790895775 Pub. Agency Retirement Svcs.	2.60			$ 13,922,107.63
			TOTAL PARS PENSION TRUST FUND				$ 13,922,107.63
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			$ 98,858.52
09-03-15	n/a	INTEREST ACCT	277067001	0.01			20.97
09-03-15	n/a	BOND RESERVE	277067003	0.00			281,019.72
09-03-15	n/a	REPAIR & REPLACE FUND	277067004	0.00			1,500,603.29
			TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS				$ 1,880,502.50
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			$ 0.56
04-05-17	n/a	REVENUE REFUNDING BOND	271128001	n/a			0.09
04-05-17	n/a	REVENUE REFUNDING BOND	271128002				0.31
			TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS				$ 0.96
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				$ 11.25
11-30-23	n/a	INTEREST	248041001				387,461.01
11-30-23	n/a	PRINCIPAL	248041002				0.80
11-30-23	n/a	REVENUE FUND	248041004				13.54
11-30-23	n/a	INTEREST	248041007				0.18
11-30-23	n/a	REVENUE FUND	248041008				4,800,601.30
			TOTAL 2023 A&B SERIES B ACQUISITION & CONSTRUCTION REV BOND				$ 5,188,088.08
			GRAND TOTAL - FISCAL AGENT CASH				$ 25,609,899.97

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
			SUMMARY OF CASH AND INVESTMENTS				
		Cash on Hand					$ 13,564,576
		Pooled Cash Investments					
		City:	363,700,639				
		Insur Fund:	7,214,894				$ 370,915,533
		Library Investments					14,508
		Subtotal					$ 384,494,617
		City/AD/CFD/PFA/HA Fiscal Agent Cash					$ 25,609,900
		Grand total					$ 410,104,517

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 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				$ 57,243,872.58
09-28-26	$ 17,756,000.00			
Subtotal	$ 17,756,000.00	$ -	$ -	74,999,872.58
LAIF - PFA ACCOUNT 40-19-078				
Beginning Balance				$ 51,429,215.06
Subtotal	$ -	$ -	$ -	$ 51,429,215.06
LAIF - LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 14,508.32
Subtotal	$ -	$ -	$ -	$ 14,508.32
LAIF - ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 14,844,024.23
Subtotal	$ -	$ -	$ -	$ 14,844,024.23
CAMP				
Beginning Balance				$ 55,472,425.57
09-30-26			$ 176,329.44	
Subtotal	$ -	$ -	$ 176,329.44	$ 55,648,755.01
UBS Financial Services				
Beginning Cash Balance				$ 0.00
09-30-26			$ 250,523.84	
09-30-26	$ 4,797,037.67			
09-30-26		$ (34,622.50)		
09-30-26		$ (4,797,037.67)		
Subtotal	$ 4,797,037.67	$ (4,831,660.17)	$ 250,523.84	$ 215,901.34
Beginning Cash Reserve Balance				$ 4,797,037.67
09-28-26				
09-28-26		$ (4,797,037.67)		
Subtotal	$ -	$ (4,797,037.67)	$ -	$ 0.00
Total	$ 22,553,037.67	$ (9,628,697.84)	$ 426,853.28	$ 197,152,276.54

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 2026

POOLED CASH - INVESTMENTS MATURED OR CALLED

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

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

Total Number of Transactions:

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
SEPTEMBER 30, 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 Coupon
91282CJA0 U.S. Treasury Note	09-15-26	09-30-28	TN	$ 1,000,000.00	(937.50)	$ 1,000,937.50	21,229.51	$ 1,022,167.01	4.58
91282CMN8 U.S. Treasury Note	09-15-26	02-15-28	TN	1,000,000.00	3,125.00	996,875.00	3,580.16	1,000,455.16	4.48
91282CRB9 U.S. Treasury Note	09-15-26	07-31-28	TN	1,000,000.00	5,625.00	994,375.00	5,312.50	$ 999,687.50	4.56
3130BCAL7 Federal Home Loan	09-28-26	09-28-29	FP	2,000,000.00	-	2,000,000.00	-	2,000,000.00	5.00
91282CMF5 U.S. Treasury Note	09-30-26	01-15-28	TN	3,000,000.00	17,812.50	2,982,187.50	26,677.99	$ 3,008,865.49	4.72
				$ 8,000,000.00	$ 25,625.00	$ 7,974,375.00	$ 56,800.16	$ 8,031,175.16	

Total Number of Transactions:

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
September 30, 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	$ 2,606,929.25	
						$ 2,606,929.25

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	$ 533,589.60	
08-20-02	n/a	Interest Acct	94460701	0.04	31,135.94	
08-20-02	n/a	Principal Acct	94460702	0.04	84.01	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 564,809.55
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	$ 5.62	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 5.62
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						$564,815.69

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$ 312,364
Pooled Cash Investments	2,606,929
Successor Agency Fiscal Agent Cash	564,816
Grand total	$ 3,484,109

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
September 30, 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				2,606,929.25
Subtotal	$ -	$ -	$ -	$ 2,606,929.25

$0

$ -

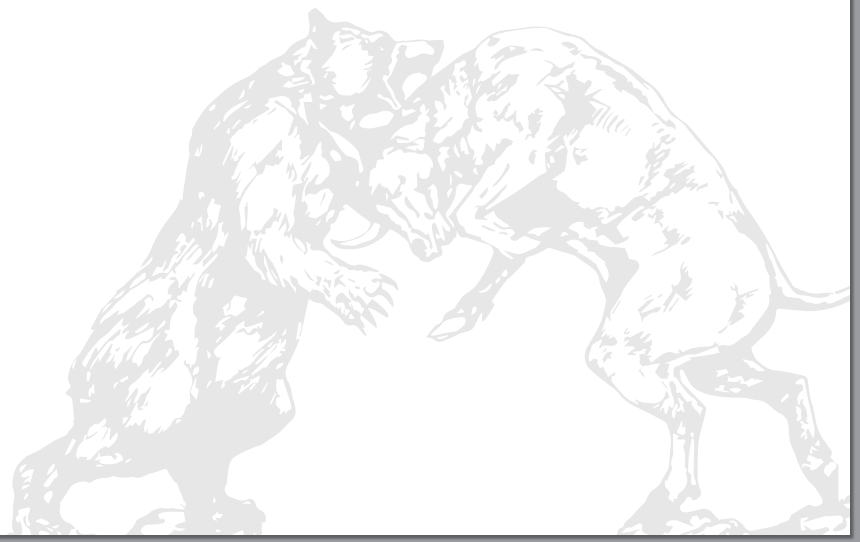
STIFEL

Performance Profile

City of Palmdale

Palmdale, CA

September 2026



Stifel.com

Performance Profile

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Chad Smith, Managing Director

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Executive Summary

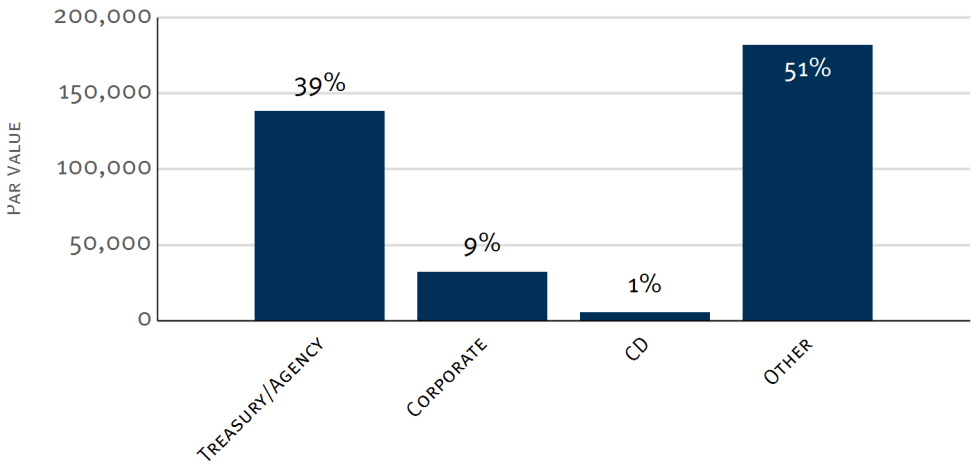
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Executive Summary

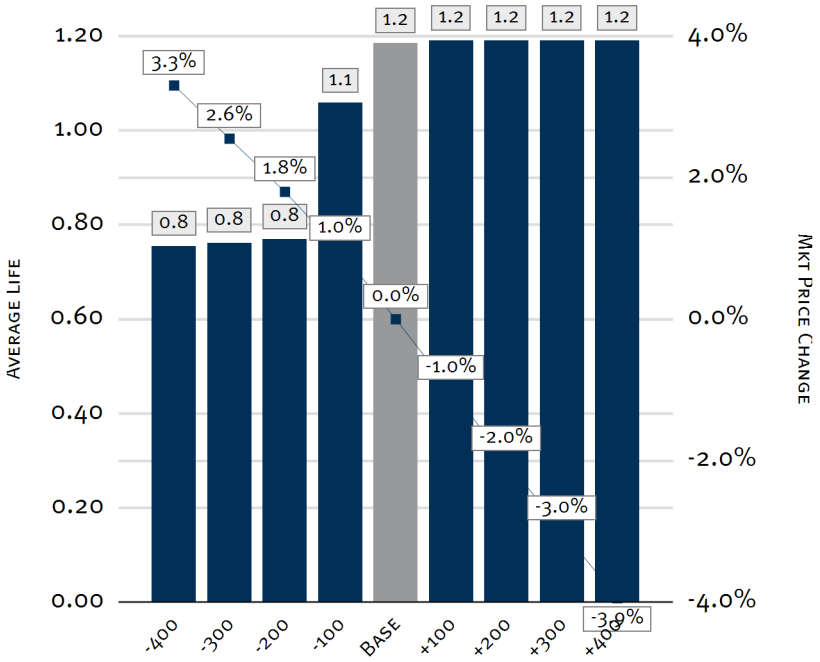
Portfolio Snapshot

Book Value	**355,015,546**
# Securities	97
Average Size (Book)	3,659,954
Yield @ Book Price	4.37
Internal Rate of Return	4.71
Yield @ Book Price +100bps	4.37
Yield @ Book Price -100bps	4.37
Market Yield	4.38
$ Gain Loss	-1,574,309
% Gain Loss	-0.4%
Average Life	1.2
Average Life +300bps	1.2
% Price Change +100bps	-1.0
% Price Change +300bps	-3.0
Effective Duration	1.0
Effective Convexity	0.0
AFS / HTM %	100% / 0%
Fixed / Floating	100% / 0%
ESG / Green Par (000's)	$500 / $500

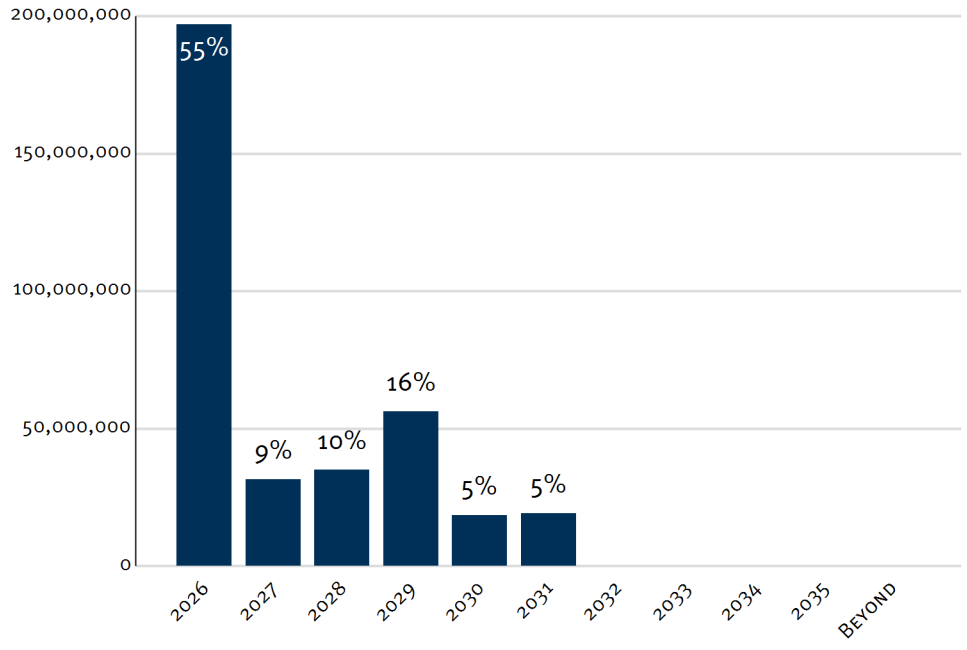
Sector Allocation



Average Life vs Price Sensitivity



Projected Principal Cash Flows



Executive Summary

Historical Portfolio Overview

	09/30/2026	07/31/2026	06/30/2026	05/31/2026
Book Value	355,015,546	278,636,414	299,616,895	331,909,095
Yield @ Book Price	4.37	4.74	4.60	4.41
Yield @ Book Price (+100)	4.37	4.74	4.60	4.41
Yield @ Book Price (+300)	4.37	4.74	4.60	4.41
Yield @ Book Price (-100)	4.37	4.74	4.79	4.52
WAL	1.2	1.4	1.3	1.1
WAL (+100)	1.2	1.5	1.4	1.3
WAL (+300)	1.2	1.5	1.4	1.3
WAL (-100)	1.1	1.1	0.9	0.8
% Price Change (+100)	-1.0%	-1.2%	-1.2%	-1.0%
% Price Change (+300)	-3.0%	-3.7%	-3.6%	-3.0%
% Price Change (-100)	1.0%	1.1%	1.0%	0.9%
Effective Duration	1.0	1.2	1.1	0.9
Effective Convexity	0.0	-0.1	-0.1	-0.1
$ Gain/Loss	-1,574,309	-80,816	491,533	700,934
% Gain/Loss	-0.4%	0.0%	0.2%	0.2%
$ Gain/Loss (+300)	-12,131,079	-10,457,560	-10,131,430	-9,429,432
Principal Cash Flow 2 yrs out	71%	70%	73%	74%
Principal Cash Flow 2 yrs out (+100)	71%	69%	70%	70%
Principal Cash Flow 2 yrs out (+300)	71%	69%	70%	70%
Principal Cash Flow 2 yrs out (-100)	75%	81%	84%	83%

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 (23)	16.1%	57,500,000	3.63	2.1	56,895,468	4.24	56,293,613	4.80	1.9	-1.9	-5.5	(601,854)	-1.1%	2.1	1.9	0.1	100%
Agency Bullet (2)	2.0%	7,000,000	3.14	1.6	6,897,626	4.62	6,850,914	4.84	1.6	-1.5	-4.5	(46,712)	-0.7%	1.6	1.6	0.0	100%
Callable Agency (30)	20.6%	73,640,000	3.34	2.2	71,980,481	6.00	72,189,592	4.96	1.5	-1.7	-5.3	209,111	0.3%	2.1	1.6	-0.3	100%
Treasury/Agency (55)	38.6%	138,140,000	3.45	2.1	135,773,574	5.17	135,334,119	4.89	1.7	-1.8	-5.4	(439,455)	-0.3%	2.1	1.7	-0.1	100%
Other/Unknown (1)	0.6%	2,000,000	4.10	4.5	2,000,000	4.10	1,887,103	5.55	4.1	-3.9	-11.2	(112,897)	-5.6%	4.5	4.0	0.2	100%
Finance (16)	5.2%	18,656,000	4.19	3.1	18,614,069	4.58	18,055,530	5.42	2.5	-2.5	-7.4	(558,539)	-3.0%	2.9	2.5	0.0	100%
Industrial (2)	1.0%	3,500,000	4.18	2.5	3,465,096	4.81	3,417,936	5.24	2.4	-2.3	-6.7	(47,160)	-1.4%	2.5	2.3	0.1	100%
Services (6)	2.1%	7,500,000	3.78	4.0	7,424,867	4.11	7,078,683	5.43	3.6	-3.5	-10.1	(346,184)	-4.7%	4.0	3.6	0.1	100%
Utility (1)	0.1%	500,000	4.95	1.9	509,341	3.90	498,590	5.11	1.8	-1.7	-5.1	(10,751)	-2.1%	1.9	1.7	0.0	100%
Corporate (26)	9.0%	32,156,000	4.10	3.3	32,013,372	4.45	30,937,841	5.41	2.8	-2.8	-8.1	(1,075,531)	-3.4%	3.2	2.8	0.0	100%
NCD (14)	1.5%	5,235,000	4.48	2.6	5,235,948	4.47	5,176,625	4.92	2.0	-2.1	-6.5	(59,323)	-1.1%	2.6	2.1	-0.1	100%
CD (14)	1.5%	5,235,000	4.48	2.6	5,235,948	4.47	5,176,625	4.92	2.0	-2.1	-6.5	(59,323)	-1.1%	2.6	2.1	-0.1	100%
Cash & Other (2)	50.9%	181,992,652	3.84	0.1	181,992,652	3.81	181,992,652	3.81	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Other (2)	50.9%	181,992,652	3.84	0.1	181,992,652	3.81	181,992,652	3.81	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Total (97)	100.0%	357,523,652	3.72	1.2	355,015,546	4.37	353,441,237	4.38	1.0	-1.0	-3.0	(1,574,309)	-0.4%	1.2	1.0	0.0	100%

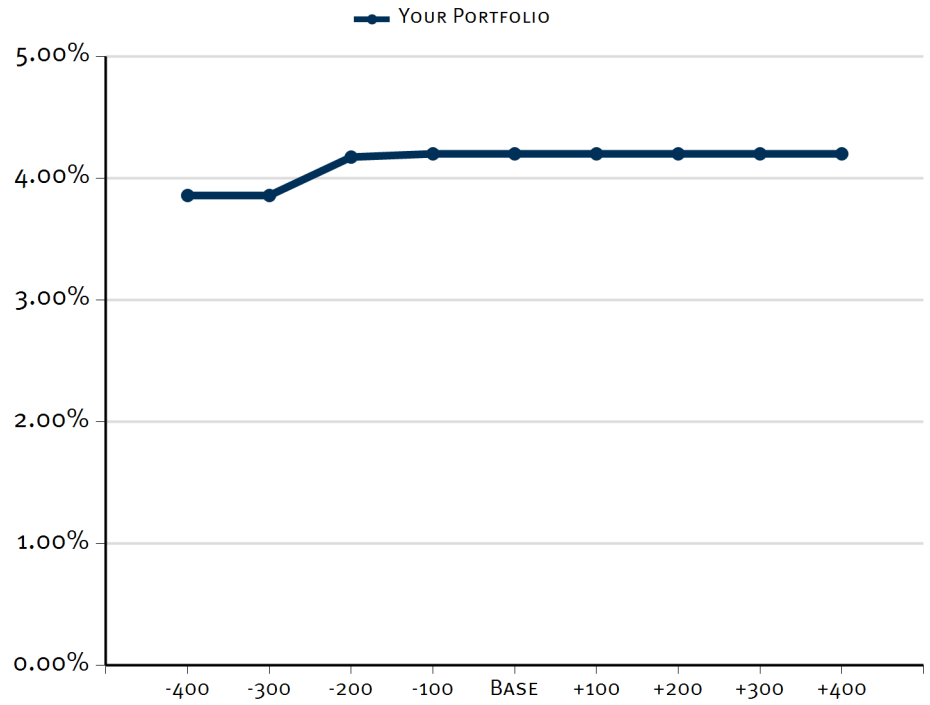
Executive Summary

Portfolio Analysis - Interest Rate Shock

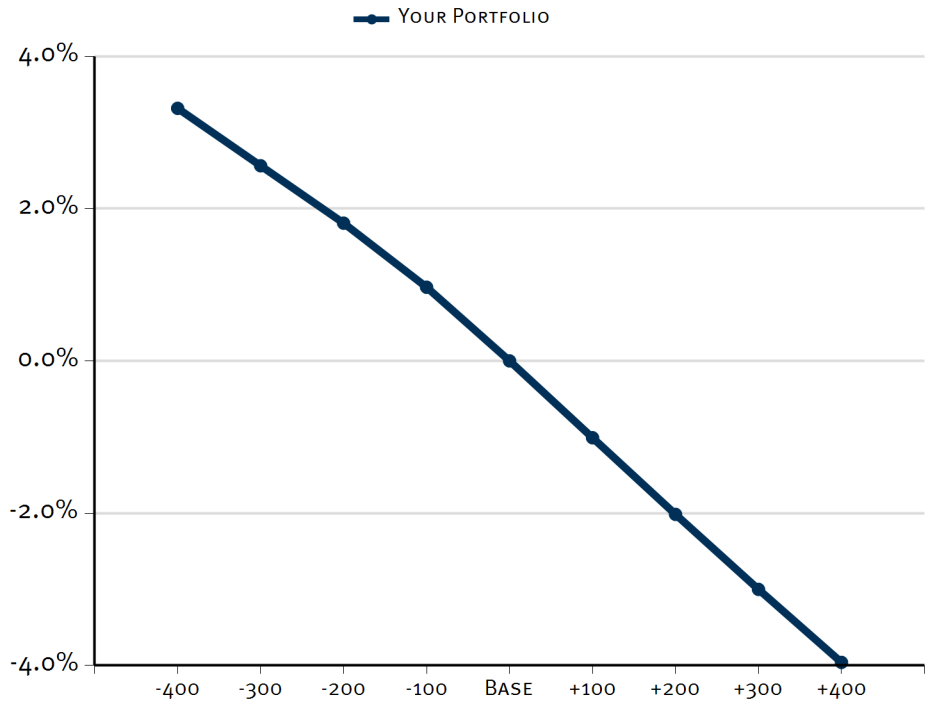
Total Portfolio

	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	97	97	97	97	**97**	97	97	97	97
Current Face	357,523,652	357,523,652	357,523,652	357,523,652	**357,523,652**	357,523,652	357,523,652	357,523,652	357,523,652
Book Value	355,015,546	355,015,546	355,015,546	355,015,546	**355,015,546**	355,015,546	355,015,546	355,015,546	355,015,546
Book Price	99.30	99.30	99.30	99.30	**99.30**	99.30	99.30	99.30	99.30
Projected Yield At Book Price	4.13%	4.13%	4.40%	4.37%	**4.37%**	4.37%	4.37%	4.37%	4.37%
Market Value	365,118,668	362,461,567	359,808,648	356,845,430	**353,441,237**	349,889,944	346,350,917	342,884,466	339,511,644
Market Price	102.12	101.38	100.64	99.81	**98.86**	97.86	96.88	95.91	94.96
Market Yield	0.19%	1.22%	2.27%	3.40%	**4.38%**	5.38%	6.39%	7.40%	8.42%
% Price Change	3.3%	2.6%	1.8%	1.0%	**0.0%**	-1.0%	-2.0%	-3.0%	-4.0%
Book Gain/Loss	10,103,122	7,446,021	4,793,103	1,829,884	**-1,574,309**	-5,125,602	-8,664,628	-12,131,079	-15,503,902
Gain/Loss %	2.8%	2.1%	1.4%	0.5%	**-0.4%**	-1.4%	-2.4%	-3.4%	-4.4%
Average Life	0.8	0.8	0.8	1.1	**1.2**	1.2	1.2	1.2	1.2
Effective Duration	0.7	0.7	0.8	0.9	**1.0**	1.0	1.0	1.0	1.0
Effective Convexity	0.0	0.0	-0.1	-0.1	**0.0**	0.0	0.0	0.0	0.0

Projected Portfolio Yield at Book



Total Portfolio Price Volatility

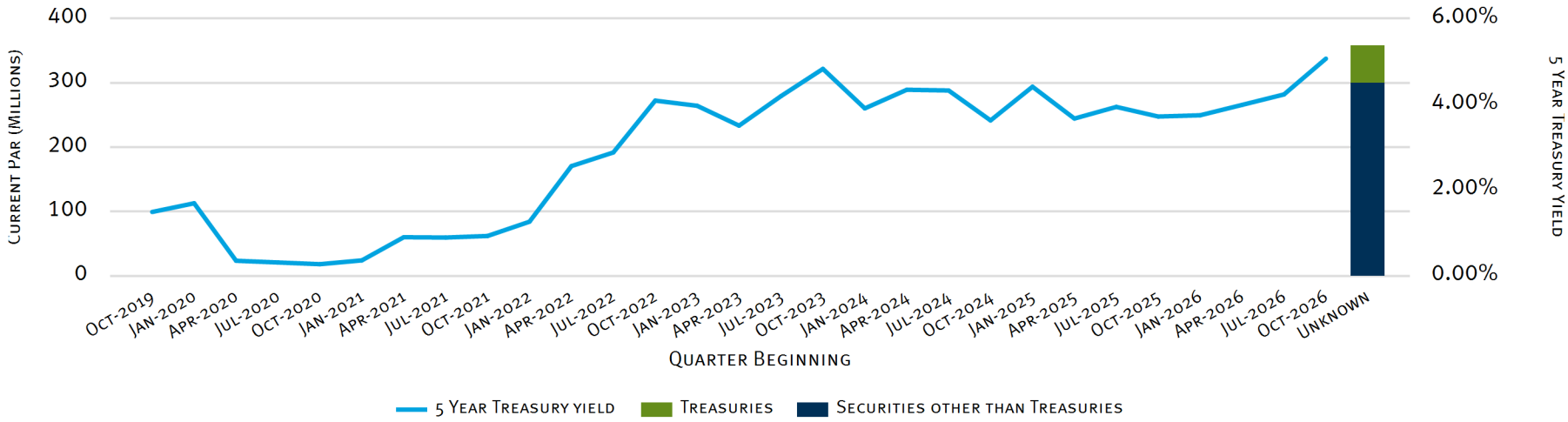


[1]Stifel Portfolio Median refers to the median portfolio value for other institutions analyzed by Stifel within the past three months.

Executive Summary

Market Timing Analysis

Historical Purchases vs 5 Year Treasury Yield



5 Year Treasury Average: 2.80% / Median 3.65%

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

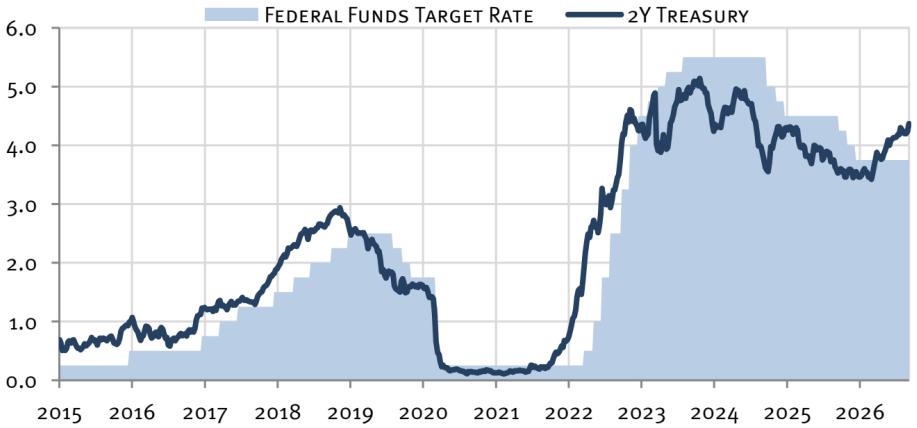
KEY MARKET RATES

Treasury Yields	8/31/2026	8/31/2025	YOY Δ
3M Treasury Bill	3.83	4.15	(0.31)
6M Treasury Bill	3.99	3.97	0.02
2Y Treasury Note	4.34	3.62	0.72
3Y Treasury Note	4.40	3.58	0.83
5Y Treasury Note	4.50	3.70	0.80
10Y Treasury Note	4.75	4.23	0.52
30Y Treasury Bond	5.24	4.93	0.31
10Y TIPS	2.43	1.82	0.61

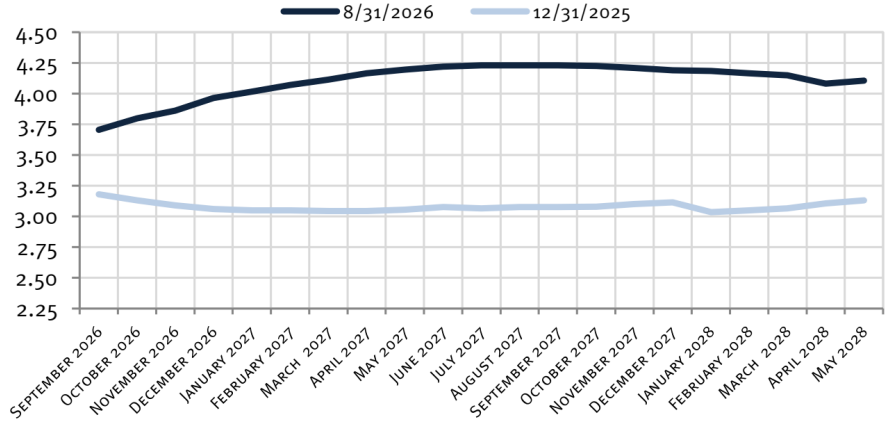
Other Key Interest Rates	8/31/2026	8/31/2025	YOY Δ
Fed Funds Target Rate	3.75	4.50	(0.75)
Fed Funds Effective Rate	3.63	4.33	(0.70)
Interest on Reserves	3.65	4.40	(0.75)
SOFR	3.68	4.34	(0.66)
SOFR 30-Day Average	3.65	4.35	(0.71)
Discount Rate	3.75	4.50	(0.75)
Prime	6.75	7.50	(0.75)
FHLMC 30Y Mortgage Rate	6.66	6.56	0.10

Stocks and Commodities	8/31/2026	8/31/2025	YOY Δ
Dollar Index	99.43	97.77	1.7%
CRB Commodity Index	565.32	554.89	1.9%
Brent Crude Oil	90.49	68.12	32.8%
Gold	4,437	3,448	28.7%
DJIA	53,186	45,545	16.8%
S&P 500	7,686	6,460	19.0%
Russell 2000	2,956	2,366	24.9%
NASDAQ	26,371	21,456	22.9%

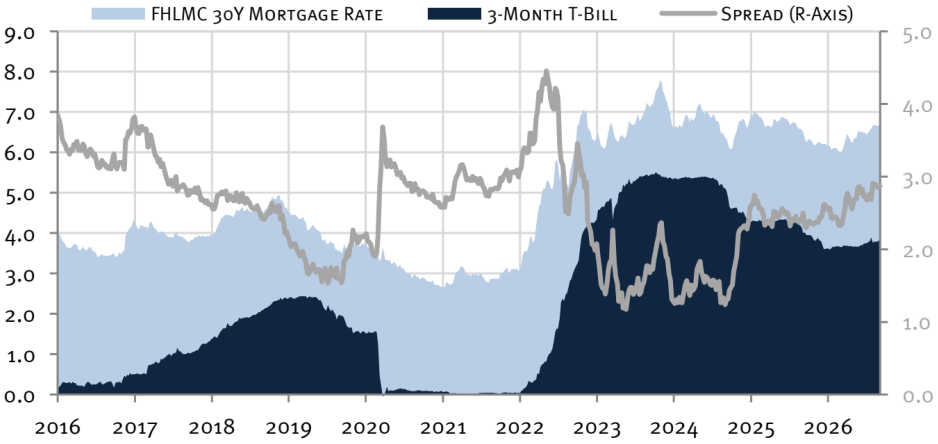
FEDERAL FUNDS TARGET RATE AND 2-YEAR TREASURY YIELD



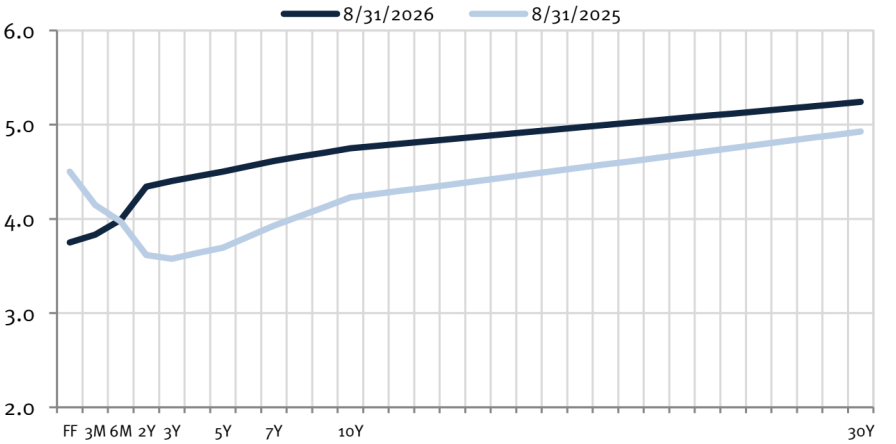
FED FUNDS FUTURES



FUNDING COSTS vs. FNMA 30Y MORTGAGE RATES



CURRENT TREASURY YIELD CURVE vs. ONE YEAR AGO



KEY ECONOMIC DATA

Gross Domestic Product (Chain-Weighted)	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23
GDP *(S Billions)*	**24,270**	24,180	24,056	24,027	23,771	23,548	23,587	23,479	23,287	23,082	23,034	22,841	22,581
GDP *(QoQ, SAAR)*	**1.5%**	2.1%	0.5%	4.4%	3.8%	-0.6%	1.9%	3.3%	3.6%	0.8%	3.4%	4.7%	2.5%
Personal Consumption ($ Billions)	**16,830**	16,688	16,665	16,586	16,446	16,346	16,321	16,166	16,010	15,858	15,790	15,672	15,554
Personal Consumption (QoQ, SAAR)	**3.4%**	0.5%	1.9%	3.5%	2.5%	0.6%	3.9%	4.0%	3.9%	1.7%	3.0%	3.1%	1.5%
Real Disposable Personal Income ($ Billions)	**18,004**	18,072	18,030	18,071	18,025	17,943	17,843	17,755	17,701	17,596	17,417	17,269	17,183
Real Disposable personal Income (QoQ, SAAR)	**-1.5%**	0.9%	-0.9%	1.0%	1.8%	2.3%	2.0%	1.2%	2.4%	4.2%	3.5%	2.0%	4.3%
Private Investment ($ Billions)	**4,523**	4,493	4,408	4,383	4,383	4,548	4,316	4,392	4,382	4,296	4,313	4,276	4,181
Private Investment (QoQ, SAAR)	**2.7%**	7.9%	2.3%	0.0%	-13.7%	23.3%	-6.8%	0.9%	8.2%	-1.6%	3.6%	9.4%	7.2%
Business Fixed Investment ($ Billions)	**4,551**	4,475	4,406	4,389	4,381	4,334	4,260	4,281	4,265	4,250	4,219	4,171	4,132
Business Fixed Investment (QoQ, SAAR)	**7.0%**	6.5%	1.5%	0.8%	4.4%	7.1%	-1.9%	1.5%	1.4%	3.0%	4.6%	3.8%	9.5%
Residential Fixed Investment ($ Billions)	**748**	746	761	764	779	789	791	783	792	796	781	778	757
Residential Fixed Investment (QoQ, SAAR)	**1.2%**	-7.8%	-1.7%	-7.1%	-5.1%	-1.0%	4.3%	-4.8%	-2.0%	8.2%	1.5%	11.5%	4.2%
Change in Business Inventories ($ Billions)	**(36)**	(1)	8	(6)	(190)	155	(52)	(6)	63	(49)	(6)	50	(26)
Government Spending ($ Billions)	**3,991**	4,000	3,957	4,015	3,993	3,994	4,004	3,971	3,919	3,887	3,865	3,821	3,774
Government Spending (QoQ, SAAR)	**-1.0%**	4.4%	-5.6%	2.2%	-0.1%	-1.0%	3.3%	5.4%	3.3%	2.3%	4.7%	5.2%	3.3%
Federal Government Spending ($ Billions)	**1,476**	1,492	1,459	1,527	1,517	1,537	1,560	1,543	1,512	1,496	1,493	1,480	1,456
Federal Government Spending ($ Billions)	**-4.2%**	9.4%	-16.7%	2.7%	-5.3%	-5.6%	4.4%	8.6%	4.3%	0.8%	3.4%	6.8%	-0.1%
State and Local Government Spending ($ Billions)	**2,513**	2,507	2,497	2,487	2,475	2,456	2,445	2,429	2,407	2,391	2,372	2,341	2,317
State and Local Government Spending (QoQ, SAAR)	**0.9%**	1.6%	1.5%	2.0%	3.1%	1.9%	2.7%	3.6%	2.8%	3.2%	5.4%	4.2%	5.4%
Net External Trade ($ Billions)	**(1,084)**	(1,002)	(969)	(956)	(1,058)	(1,381)	(1,069)	(1,065)	(1,032)	(964)	(934)	(926)	(928)
Net External Trade (QoQ, SAAR)	**-36.9%**	-14.4%	-5.6%	33.5%	65.5%	-178.3%	-1.5%	-13.3%	-31.4%	-13.5%	-3.5%	0.8%	-7.2%
Exports ($ Billions)	**2,788**	2,757	2,687	2,709	2,647	2,660	2,659	2,664	2,608	2,604	2,575	2,537	2,509
Exports (QoQ, SAAR)	**4.5%**	10.9%	-3.2%	9.6%	-1.8%	0.2%	-0.9%	8.9%	0.7%	4.6%	6.1%	4.4%	-5.3%
Imports ($ Billions)	**3,871**	3,759	3,655	3,664	3,705	4,040	3,727	3,729	3,640	3,568	3,509	3,463	3,437
Imports (QoQ, SAAR)	**12.5%**	11.8%	-1.0%	-4.4%	-29.3%	38.0%	-0.2%	10.1%	8.4%	6.9%	5.4%	3.0%	-2.1%

Labor	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Unemployment Rate	4.1%	4.1%	4.2%	4.3%	4.3%	4.3%	4.4%	4.3%	4.4%	4.5%		4.4%	4.3%
Monthly Change in Nonfarm Payrolls (000s)	162	21	31	63	148	214	-156	160	-17	41	-140	76	-70
Average Weekly Hours Worked Nonfarm	34.4	34.3	34.3	34.3	34.3	34.2	34.3	34.3	34.2	34.3	34.2	34.2	34.2
Average Hourly Earnings Nonfarm (YoY)	3.1%	3.2%	3.4%	3.3%	3.6%	3.4%	3.7%	3.7%	3.7%	3.9%	3.9%	3.8%	4.0%

Inflation	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Consumer Price Index (YoY)		3.4%	3.5%	4.2%	3.8%	3.3%	2.4%	2.4%	2.7%	2.7%		3.0%	2.9%
Core Consumer Price Index (YoY)		2.5%	2.6%	2.9%	2.8%	2.6%	2.5%	2.5%	2.6%	2.6%		3.0%	3.1%
Core Personal Consumption Expenditure (YoY)		3.3%	3.3%	3.5%	3.3%	3.3%	3.0%	3.1%	3.0%	2.8%	2.8%	2.8%	2.9%

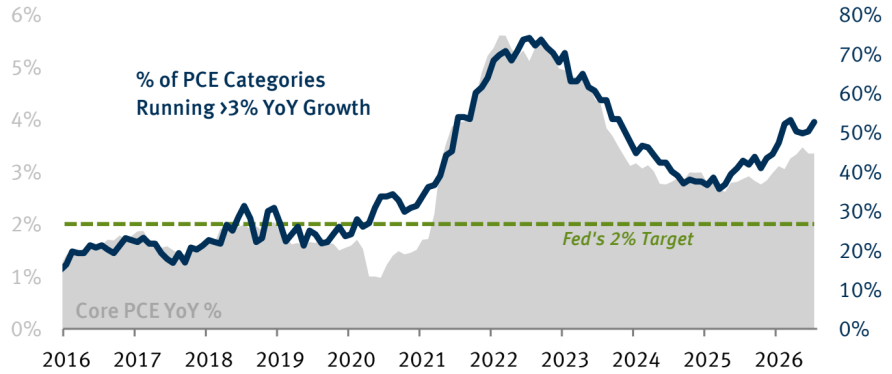
Housing	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
New Home Sales (000s, Annualized)		607	678	630	641	659	630	576	723	757	652	714	698
Existing Home Sales (Millions, Annualized)		4.06	4.13	4.19	4.04	4.01	4.13	4.02	4.27	4.09	4.11	4.08	4.03
Homebuilder Confidence Index	35	34	36	37	34	38	37	37	39	38	37	32	32
Housing Starts (000s, Annualized)		1239	1415	1182	1414	1522	1346	1385	1378	1319	1273	1319	1291
Building Permits (000s, Annualized)		1433	1374	1410	1423	1363	1540	1393	1482	1414	1418	1444	1347

Other	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Industrial Production (YoY Change in Output)		1.1%	1.3%	1.5%	1.4%	0.7%	0.8%	1.0%	1.2%	1.8%	1.8%	1.9%	1.2%
ISM Manufacturing Index	54.6	55.6	53.3	54.0	52.7	52.7	52.4	52.6	47.9	48.0	48.8	48.9	48.9
ISM Non-Manufacturing Index	55.4	54.1	54.0	54.5	53.6	54.0	56.1	53.8	53.8	52.4	52.0	50.3	51.9
ISM Economy-Weighted Composite index	55.3	54.2	53.9	54.5	53.5	53.9	55.7	53.7	53.2	52.0	51.7	50.2	51.6
Auto Sales (Millions, Annualized)	16.76	16.33	16.52	16.08	15.92	16.34	15.75	14.85	16.02	15.60	15.32	16.39	16.07
Consumer Confidence (U of M)	51.7	55.2	49.5	44.8	49.8	53.3	56.6	56.4	52.9	51.0	53.6	55.1	58.2

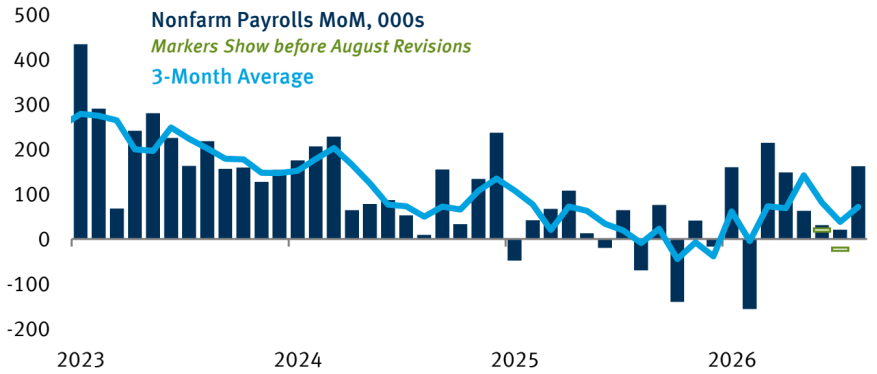
Executive Summary

Key Market Rates

Chair Warsh's Focus on Inflation in Jackson Hole Boosted September Hike Odds



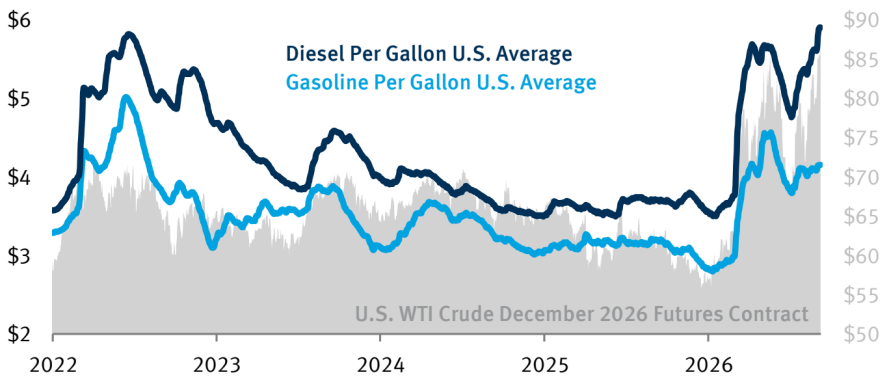
And a Surprisingly Strong Labor Update for August Offered Hawks Cover



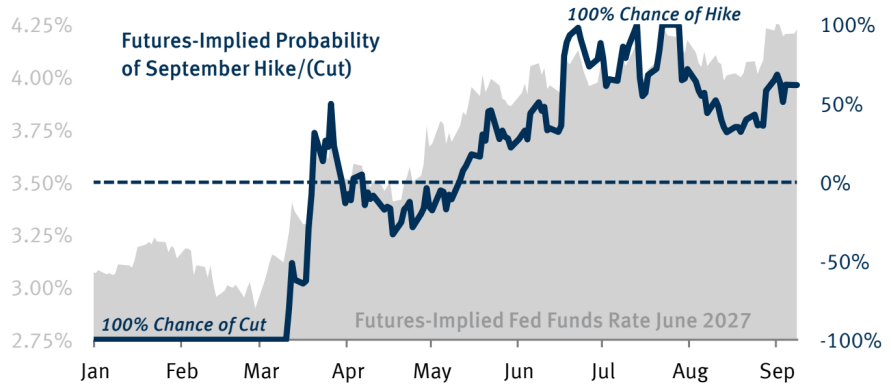
Particularly Considering Economic Activity Appears to Be Holding Up



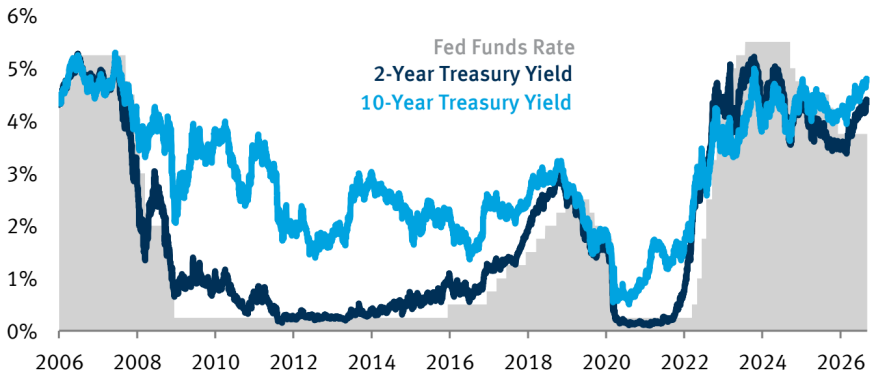
And Persistently High Energy Prices Pose Upside Inflation Risks



New Inflation Data, However, Will Likely Settle a Still-Open Debate



And Set the Pace for Interest Rates into the Final Months of the Year



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Institue for Supply Management, American Automobile Association, Bloomberg Finance L.P., Stifel

Data as of September 8, 2026

Sector Analysis

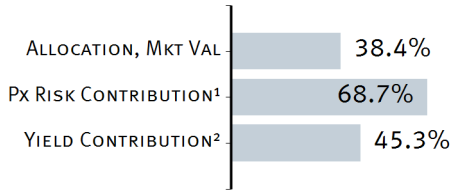
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Sector Analysis

Treasury/Agency Sector Portfolio

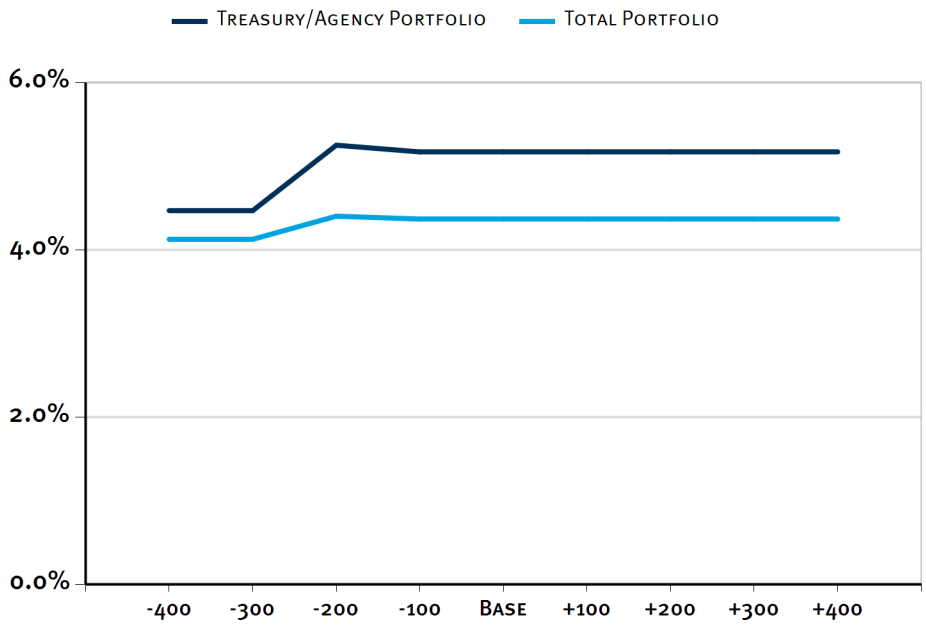
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	55	55	55	55	55	55	55	55	55
Current Face	138,140,000	138,140,000	138,140,000	138,140,000	138,140,000	138,140,000	138,140,000	138,140,000	138,140,000
Book Value	135,773,574	135,773,574	135,773,574	135,773,574	135,773,574	135,773,574	135,773,574	135,773,574	135,773,574
Book Price	98.29	98.29	98.29	98.29	98.29	98.29	98.29	98.29	98.29
Proj. Yld. At Book Px.	4.47%	4.47%	5.25%	5.17%	5.17%	5.17%	5.17%	5.17%	5.17%
Market Value	142,600,337	141,040,490	139,469,102	137,610,136	135,334,119	132,906,894	130,471,215	128,079,203	125,749,810
Market Price	103.23	102.10	100.96	99.62	97.97	96.21	94.45	92.72	91.03
Market Yield	0.49%	1.55%	2.65%	3.95%	4.89%	5.85%	6.84%	7.84%	8.85%
% Price Change	5.4%	4.2%	3.1%	1.7%	0.0%	-1.8%	-3.6%	-5.4%	-7.1%
Book Gain/Loss	6,826,763	5,266,916	3,695,528	1,836,562	-439,455	-2,866,680	-5,302,359	-7,694,371	-10,023,764
Gain/Loss %	5.03%	3.88%	2.72%	1.35%	-0.32%	-2.11%	-3.91%	-5.67%	-7.38%
Average Life	1.1	1.1	1.2	1.8	2.1	2.1	2.1	2.1	2.1
Effective Duration	1.1	1.1	1.2	1.5	1.7	1.8	1.9	1.9	1.9
Effective Convexity	0.0	0.0	-0.2	-0.3	-0.1	0.0	0.0	0.1	0.0

Treasury/Agency Contribution to Total Portfolio Measures

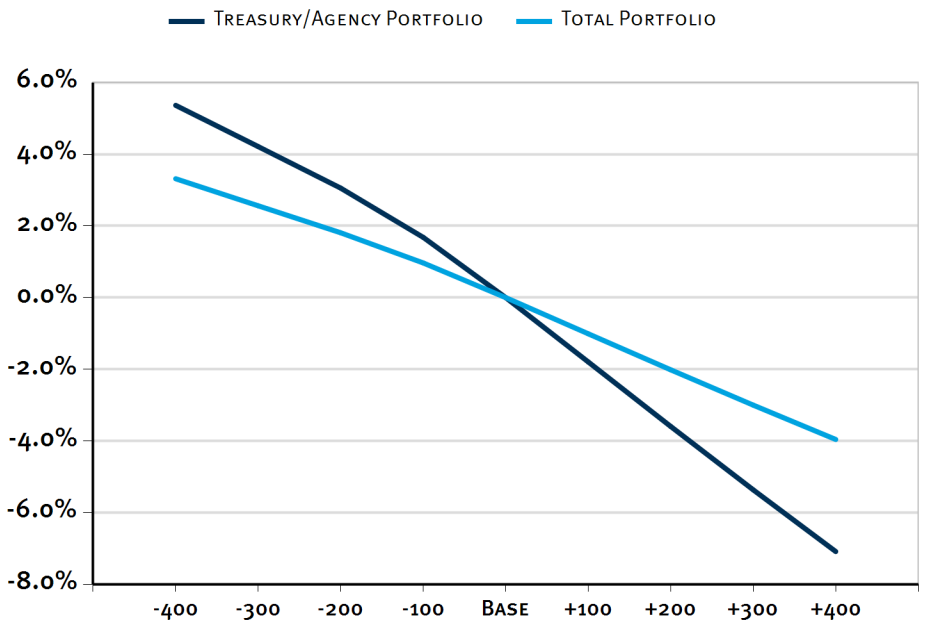


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Treasury/Agency Sector Yield @ Book vs Total Portfolio



Treasury/Agency Sector Price Volatility vs Total Portfolio

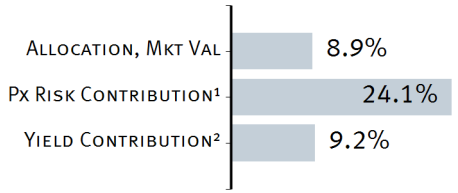


Sector Analysis

Corporate Sector Portfolio

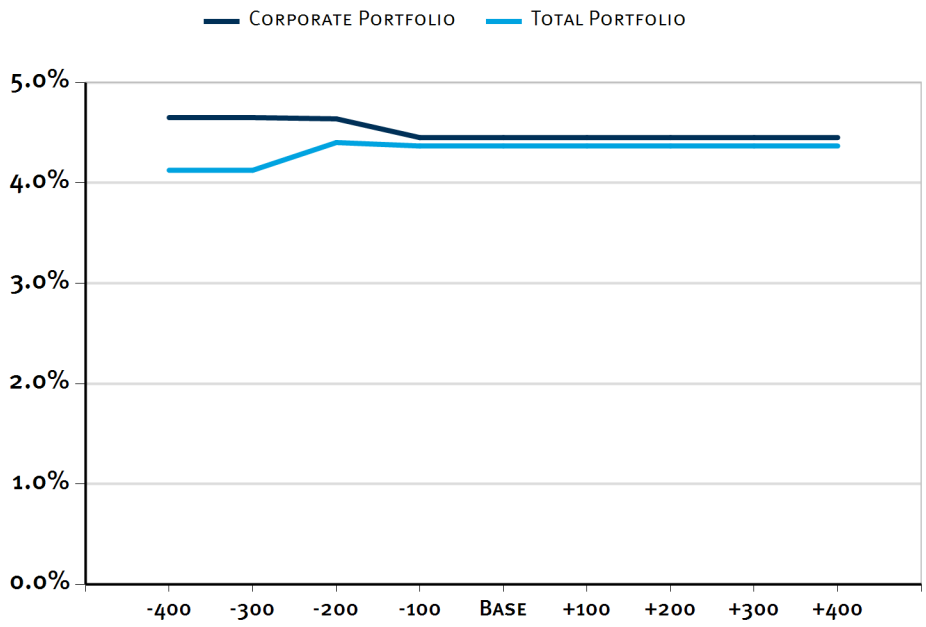
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	26	26	26	26	26	26	26	26	26
Current Face	32,156,000	32,156,000	32,156,000	32,156,000	32,156,000	32,156,000	32,156,000	32,156,000	32,156,000
Book Value	32,013,372	32,013,372	32,013,372	32,013,372	32,013,372	32,013,372	32,013,372	32,013,372	32,013,372
Book Price	99.56	99.56	99.56	99.56	99.56	99.56	99.56	99.56	99.56
Proj. Yld. At Book Px.	4.65%	4.65%	4.64%	4.45%	4.45%	4.45%	4.45%	4.45%	4.45%
Market Value	34,351,150	33,498,328	32,660,319	31,806,003	30,937,842	30,079,076	29,242,363	28,432,621	27,651,010
Market Price	106.83	104.17	101.57	98.91	96.21	93.54	90.94	88.42	85.99
Market Yield	1.31%	2.32%	3.39%	4.45%	5.41%	6.39%	7.38%	8.38%	9.38%
% Price Change	11.0%	8.3%	5.6%	2.8%	0.0%	-2.8%	-5.5%	-8.1%	-10.6%
Book Gain/Loss	2,337,778	1,484,957	646,947	-207,369	-1,075,531	-1,934,296	-2,771,008	-3,580,751	-4,362,362
Gain/Loss %	7.30%	4.64%	2.02%	-0.65%	-3.36%	-6.04%	-8.66%	-11.19%	-13.63%
Average Life	2.7	2.7	2.7	3.1	3.2	3.2	3.2	3.2	3.2
Effective Duration	2.5	2.5	2.6	2.7	2.8	2.8	2.8	2.8	2.8
Effective Convexity	0.1	0.0	-0.1	0.0	0.0	0.1	0.1	0.1	0.1

Corporate Contribution to Total Portfolio Measures

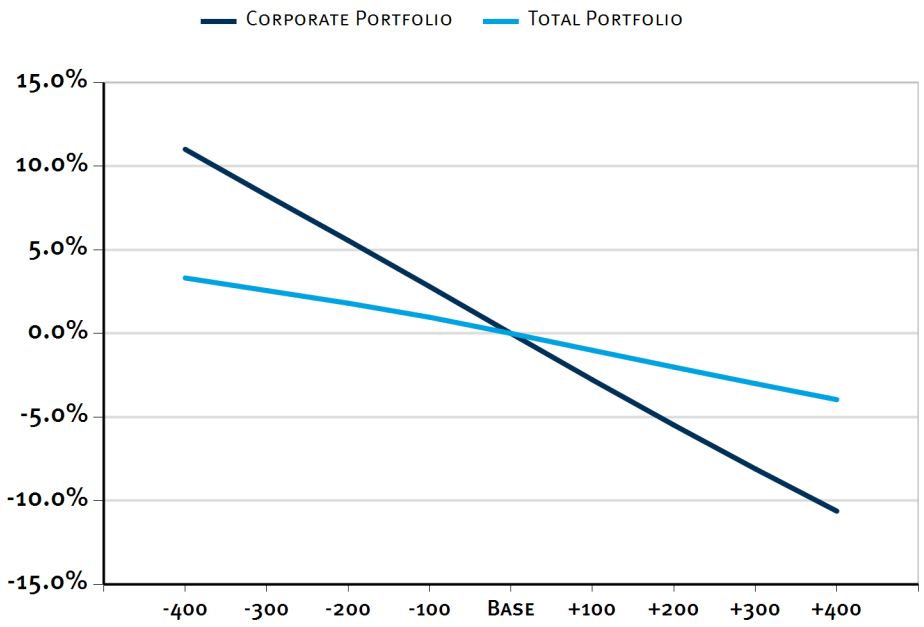


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Corporate Sector Yield @ Book vs Total Portfolio



Corporate Sector Price Volatility vs Total Portfolio

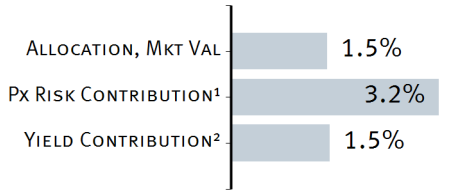


Sector Analysis

CD Sector Portfolio

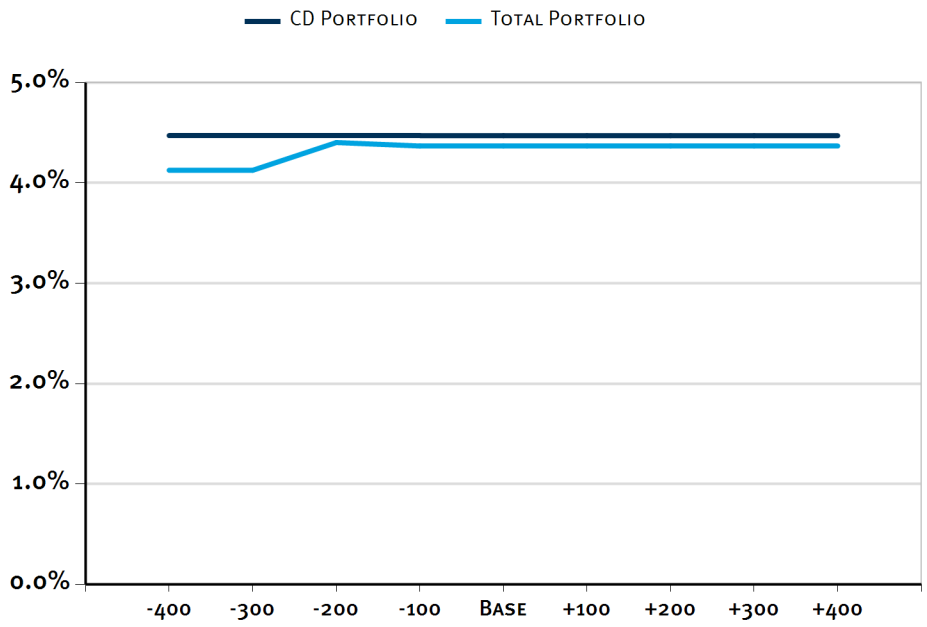
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	14	14	14	14	14	14	14	14	14
Current Face	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000
Book Value	5,235,948	5,235,948	5,235,948	5,235,948	5,235,948	5,235,948	5,235,948	5,235,948	5,235,948
Book Price	100.02	100.02	100.02	100.02	100.02	100.02	100.02	100.02	100.02
Proj. Yld. At Book Px.	4.47%	4.47%	4.47%	4.47%	4.47%	4.47%	4.47%	4.47%	4.47%
Market Value	5,552,114	5,464,069	5,376,460	5,281,946	5,176,625	5,065,469	4,952,801	4,841,342	4,732,216
Market Price	106.06	104.38	102.70	100.90	98.88	96.76	94.61	92.48	90.40
Market Yield	1.21%	2.09%	2.98%	3.95%	4.92%	5.86%	6.83%	7.82%	8.82%
% Price Change	7.3%	5.6%	3.9%	2.0%	0.0%	-2.1%	-4.3%	-6.5%	-8.6%
Book Gain/Loss	316,166	228,121	140,512	45,998	-59,323	-170,479	-283,147	-394,606	-503,732
Gain/Loss %	6.04%	4.36%	2.68%	0.88%	-1.13%	-3.26%	-5.41%	-7.54%	-9.62%
Average Life	2.1	2.1	2.1	2.1	2.6	2.6	2.6	2.6	2.6
Effective Duration	1.6	1.6	1.7	1.9	2.1	2.2	2.3	2.3	2.3
Effective Convexity	0.0	0.0	-0.1	-0.2	-0.1	0.0	0.0	0.0	0.1

CD Contribution to Total Portfolio Measures

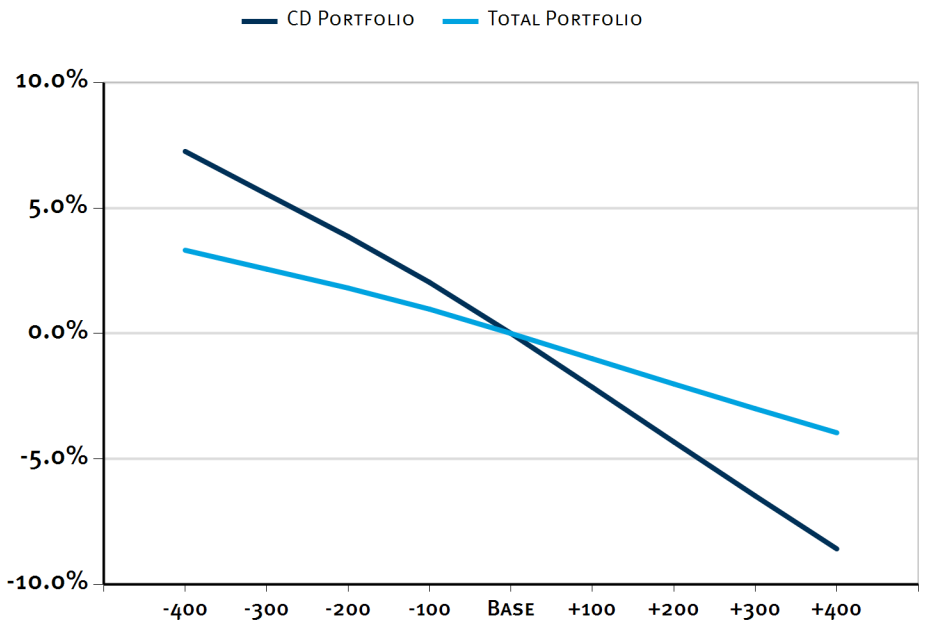


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

CD Sector Yield @ Book vs Total Portfolio



CD Sector Price Volatility vs Total Portfolio

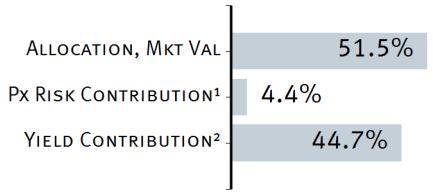


Sector Analysis

Other Sector Portfolio

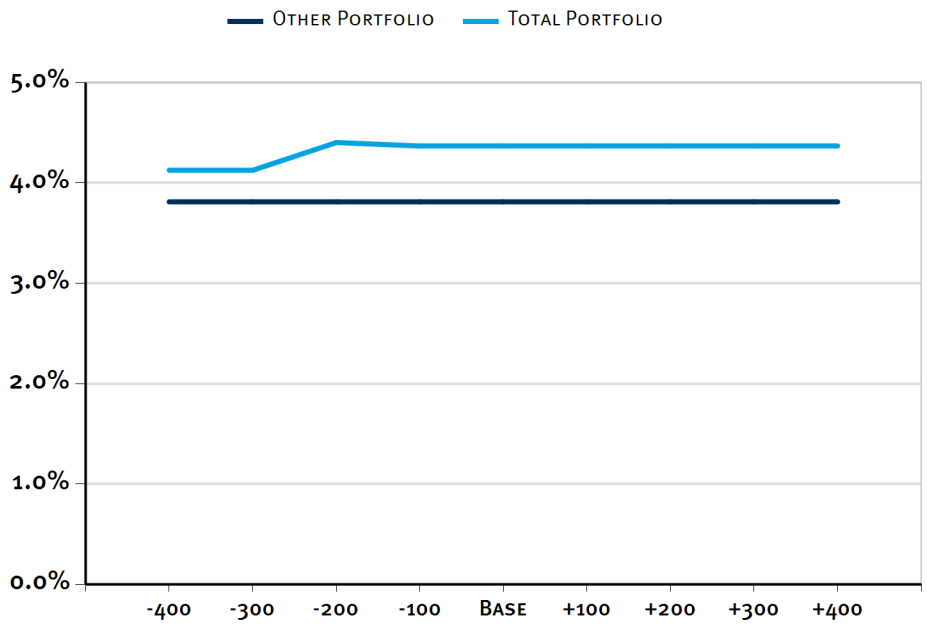
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	2	2	2	2	2	2	2	2	2
Current Face	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652
Book Value	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652	181,992,652
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.	3.81%	3.81%	3.81%	3.81%	3.81%	3.81%	3.81%	3.81%	3.81%
Market Value	182,615,067	182,458,680	182,302,767	182,147,346	181,992,652	181,838,504	181,684,538	181,531,301	181,378,609
Market Price	100.34	100.26	100.17	100.09	100.00	99.92	99.83	99.75	99.66
Market Yield	-0.26%	0.76%	1.77%	2.79%	3.81%	4.83%	5.86%	6.89%	7.92%
% Price Change	0.3%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	622,415	466,028	310,115	154,694	0	-154,148	-308,114	-461,351	-614,043
Gain/Loss %	0.34%	0.26%	0.17%	0.09%	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

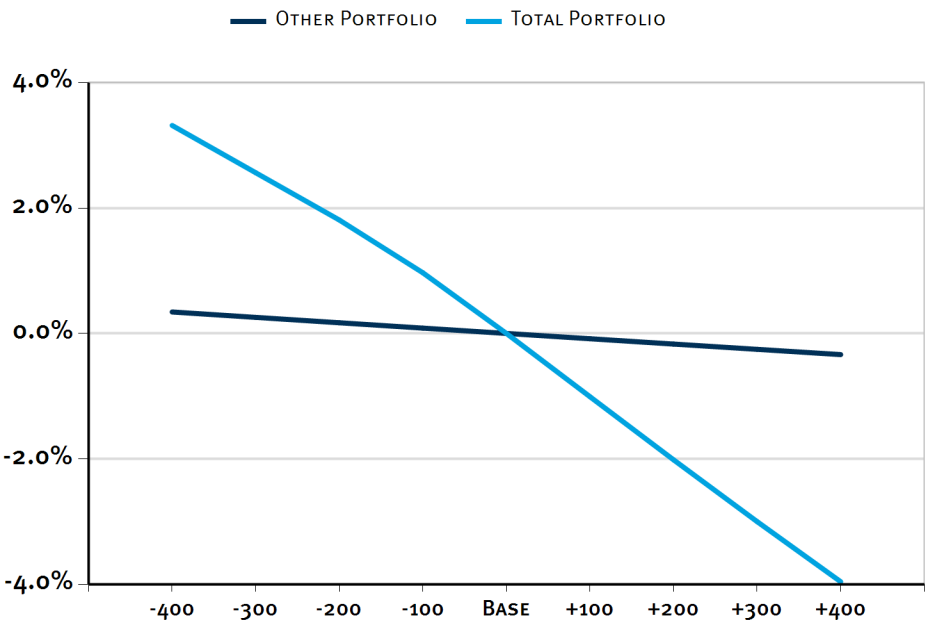


¹ Risk - Sector px. vol. +300 as % of total port. px. vol
² Yield - Sector yield as a % of total port. yield.

Other Sector Yield @ Book vs Total Portfolio



Other Sector Price Volatility vs Total Portfolio



Cashflow Analysis

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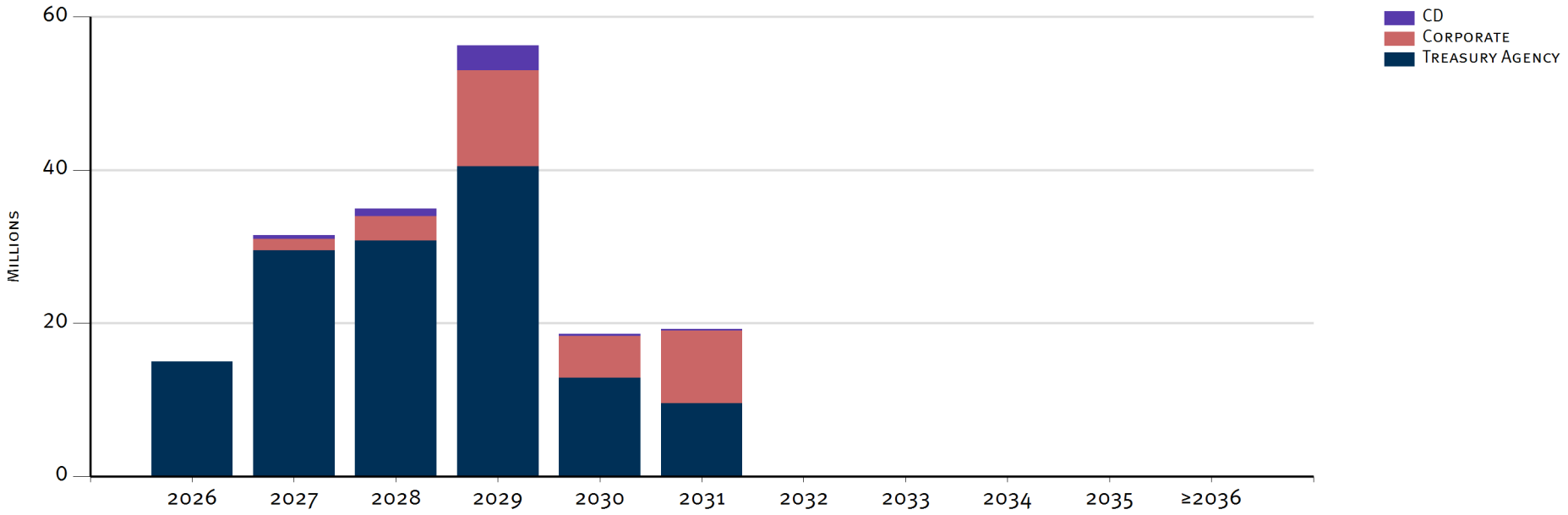
Cash Flow Analysis

Annual Base

Annual Cash Flows by Sector (Base)

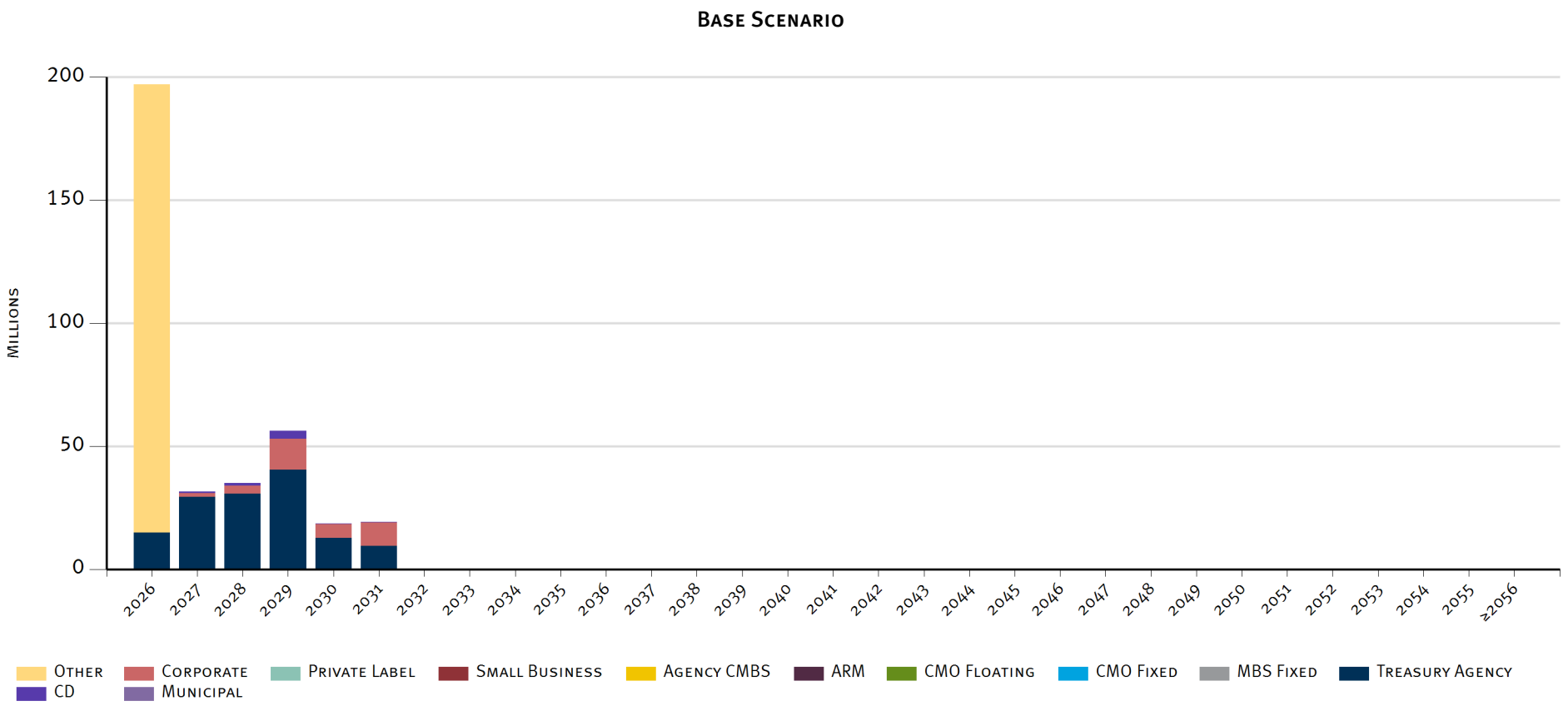
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥2036
Treasury/Agency	15,000,000	29,500,000	30,790,000	40,500,000	12,830,000	9,520,000	0	0	0	0	0
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0
ARM	0	0	0	0	0	0	0	0	0	0	0
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0
CMO Floating	0	0	0	0	0	0	0	0	0	0	0
Agency CMBS	0	0	0	0	0	0	0	0	0	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	1,500,000	3,156,000	12,500,000	5,500,000	9,500,000	0	0	0	0	0
CD	0	490,000	1,000,000	3,245,000	250,000	250,000	0	0	0	0	0
Other	181,992,652	0	0	0	0	0	0	0	0	0	0
Total	**196,992,652**	**31,490,000**	**34,946,000**	**56,245,000**	**18,580,000**	**19,270,000**	**0**	**0**	**0**	**0**	**0**
% of Total Portfolio	55.1%	8.8%	9.8%	15.7%	5.2%	5.4%	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

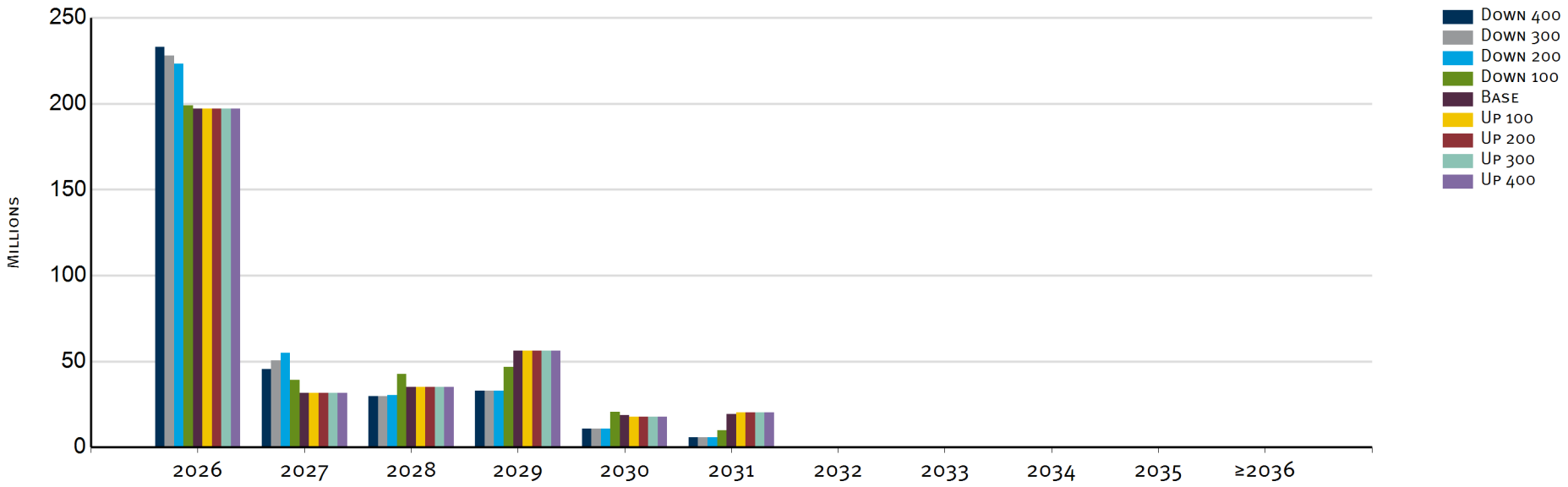
Shocked Annual Portfolio Cash Flows

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	233,132,652	45,490,000	29,656,000	32,745,000	10,750,000	5,750,000	0	0	0	0	0
Down 300	228,132,652	50,490,000	29,656,000	32,745,000	10,750,000	5,750,000	0	0	0	0	0
Down 200	223,132,652	54,990,000	30,156,000	32,745,000	10,750,000	5,750,000	0	0	0	0	0
Down 100	198,992,652	38,990,000	42,466,000	46,745,000	20,580,000	9,750,000	0	0	0	0	0
Base	**196,992,652**	**31,490,000**	**34,946,000**	**56,245,000**	**18,580,000**	**19,270,000**	**0**	**0**	**0**	**0**	**0**
Up 100	196,992,652	31,490,000	34,946,000	56,245,000	17,580,000	20,270,000	0	0	0	0	0
Up 200	196,992,652	31,490,000	34,946,000	56,245,000	17,580,000	20,270,000	0	0	0	0	0
Up 300	196,992,652	31,490,000	34,946,000	56,245,000	17,580,000	20,270,000	0	0	0	0	0
Up 400	196,992,652	31,490,000	34,946,000	56,245,000	17,580,000	20,270,000	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	36,140,000	14,000,000	(5,290,000)	(23,500,000)	(7,830,000)	(13,520,000)	0	0	0	0	0
Down 300	31,140,000	19,000,000	(5,290,000)	(23,500,000)	(7,830,000)	(13,520,000)	0	0	0	0	0
Down 200	26,140,000	23,500,000	(4,790,000)	(23,500,000)	(7,830,000)	(13,520,000)	0	0	0	0	0
Down 100	2,000,000	7,500,000	7,520,000	(9,500,000)	2,000,000	(9,520,000)	0	0	0	0	0
Up 100	0	0	0	0	(1,000,000)	1,000,000	0	0	0	0	0
Up 200	0	0	0	0	(1,000,000)	1,000,000	0	0	0	0	0
Up 300	0	0	0	0	(1,000,000)	1,000,000	0	0	0	0	0
Up 400	0	0	0	0	(1,000,000)	1,000,000	0	0	0	0	0

Shocked Annual Portfolio Cash Flows

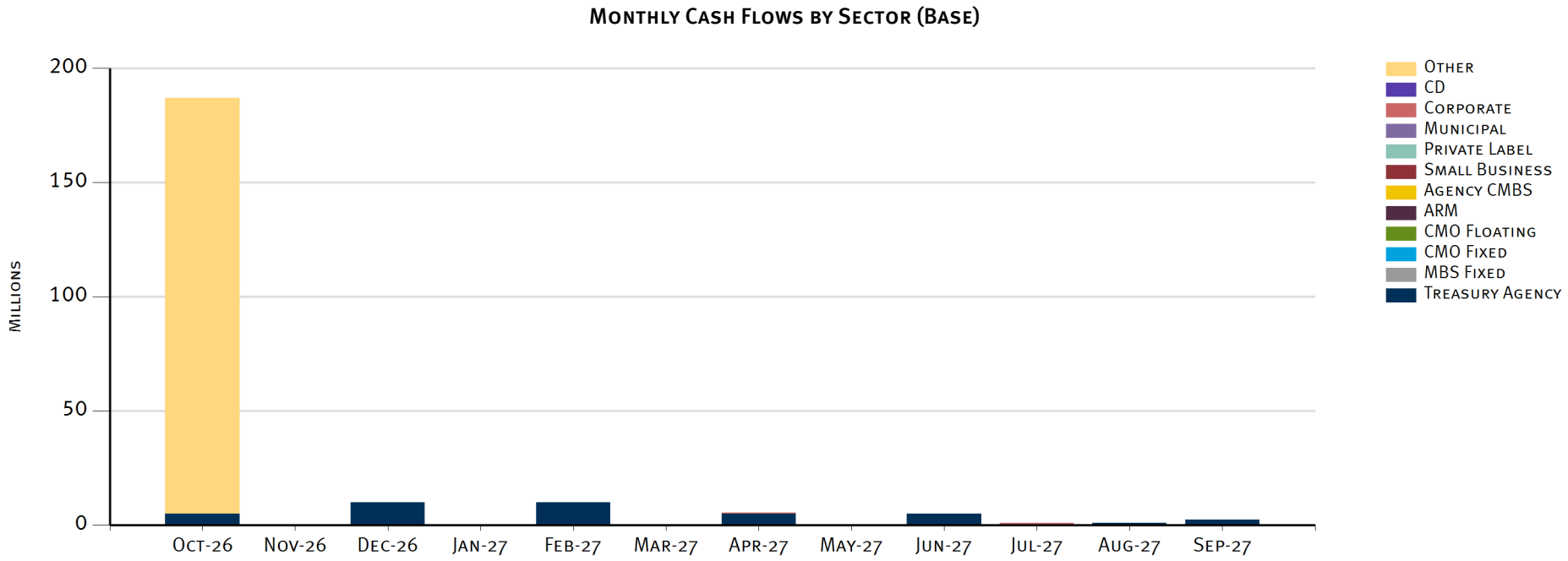


Cash Flow Analysis

Monthly Base

Monthly Cash Flows by Sector (Base)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Total	% of Total Portfolio
Treasury/Agency	5,000,000	0	10,000,000	0	10,000,000	0	5,000,000	0	5,000,000	0	1,000,000	2,500,000	38,500,000	10.8%
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	500,000	0	0	1,000,000	0	0	1,500,000	0.4%
CD	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
Other	181,992,652	0	0	0	0	0	0	0	0	0	0	0	181,992,652	50.9%
Total	**186,992,652**	**0**	**10,000,000**	**0**	**10,000,000**	**0**	**5,500,000**	**0**	**5,000,000**	**1,000,000**	**1,000,000**	**2,500,000**	**221,992,652**	**62.1%**
% of Total Portfolio	52.3%	0.0%	2.8%	0.0%	2.8%	0.0%	1.5%	0.0%	1.4%	0.3%	0.3%	0.7%	62.1%	



Cash Flow Analysis

Monthly Shocked

Shocked Monthly Portfolio Cash Flows (Year 1)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Total
Down 400	202,912,652	14,830,000	15,390,000	5,500,000	3,000,000	5,500,000	4,500,000	4,000,000	8,000,000	3,500,000	1,000,000	4,500,000	272,632,652
Down 300	197,912,652	9,830,000	20,390,000	5,500,000	8,000,000	5,500,000	4,500,000	4,000,000	8,000,000	3,500,000	1,000,000	4,500,000	272,632,652
Down 200	197,912,652	4,830,000	20,390,000	5,500,000	13,000,000	3,500,000	4,500,000	4,000,000	8,000,000	3,500,000	1,000,000	4,500,000	270,632,652
Down 100	186,992,652	0	12,000,000	0	11,000,000	0	5,500,000	0	5,000,000	4,000,000	1,000,000	4,500,000	229,992,652
Base	**186,992,652**	**0**	**10,000,000**	**0**	**10,000,000**	**0**	**5,500,000**	**0**	**5,000,000**	**1,000,000**	**1,000,000**	**2,500,000**	**221,992,652**
Up 100	186,992,652	0	10,000,000	0	10,000,000	0	5,500,000	0	5,000,000	1,000,000	1,000,000	2,500,000	221,992,652
Up 200	186,992,652	0	10,000,000	0	10,000,000	0	5,500,000	0	5,000,000	1,000,000	1,000,000	2,500,000	221,992,652
Up 300	186,992,652	0	10,000,000	0	10,000,000	0	5,500,000	0	5,000,000	1,000,000	1,000,000	2,500,000	221,992,652
Up 400	186,992,652	0	10,000,000	0	10,000,000	0	5,500,000	0	5,000,000	1,000,000	1,000,000	2,500,000	221,992,652

Change in Monthly Cash Flows from Base (Year 1)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Total
Down 400	15,920,000	14,830,000	5,390,000	5,500,000	(7,000,000)	5,500,000	(1,000,000)	4,000,000	3,000,000	2,500,000	0	2,000,000	50,640,000
Down 300	10,920,000	9,830,000	10,390,000	5,500,000	(2,000,000)	5,500,000	(1,000,000)	4,000,000	3,000,000	2,500,000	0	2,000,000	50,640,000
Down 200	10,920,000	4,830,000	10,390,000	5,500,000	3,000,000	3,500,000	(1,000,000)	4,000,000	3,000,000	2,500,000	0	2,000,000	48,640,000
Down 100	0	0	2,000,000	0	1,000,000	0	0	0	0	3,000,000	0	2,000,000	8,000,000
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)

	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-28	Total
Down 400	2,000,000	3,000,000	990,000	5,000,000	2,906,000	0	2,000,000	6,000,000	500,000	3,000,000	5,000,000	1,000,000	31,396,000
Down 300	2,000,000	3,000,000	990,000	5,000,000	2,906,000	0	2,000,000	6,000,000	500,000	3,000,000	5,000,000	1,000,000	31,396,000
Down 200	2,000,000	3,000,000	2,490,000	5,000,000	2,906,000	500,000	2,000,000	6,000,000	500,000	3,000,000	5,000,000	1,000,000	33,396,000
Down 100	2,000,000	3,000,000	2,990,000	6,000,000	2,906,000	500,000	2,000,000	4,000,000	7,390,000	3,000,000	5,000,000	5,420,000	44,206,000
Base	**2,000,000**	**3,000,000**	**1,490,000**	**5,000,000**	**2,906,000**	**3,000,000**	**2,000,000**	**2,000,000**	**1,500,000**	**2,500,000**	**5,500,000**	**2,400,000**	**33,296,000**
Up 100	2,000,000	3,000,000	1,490,000	5,000,000	2,906,000	3,000,000	2,000,000	2,000,000	1,500,000	2,500,000	5,500,000	2,400,000	33,296,000
Up 200	2,000,000	3,000,000	1,490,000	5,000,000	2,906,000	3,000,000	2,000,000	2,000,000	1,500,000	2,500,000	5,500,000	2,400,000	33,296,000
Up 300	2,000,000	3,000,000	1,490,000	5,000,000	2,906,000	3,000,000	2,000,000	2,000,000	1,500,000	2,500,000	5,500,000	2,400,000	33,296,000
Up 400	2,000,000	3,000,000	1,490,000	5,000,000	2,906,000	3,000,000	2,000,000	2,000,000	1,500,000	2,500,000	5,500,000	2,400,000	33,296,000

Change in Monthly Cash Flows from Base (Year 2)

	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-28	Total
Down 400	0	0	(500,000)	0	0	(3,000,000)	0	4,000,000	(1,000,000)	500,000	(500,000)	(1,400,000)	(1,900,000)
Down 300	0	0	(500,000)	0	0	(3,000,000)	0	4,000,000	(1,000,000)	500,000	(500,000)	(1,400,000)	(1,900,000)
Down 200	0	0	1,000,000	0	0	(2,500,000)	0	4,000,000	(1,000,000)	500,000	(500,000)	(1,400,000)	100,000
Down 100	0	0	1,500,000	1,000,000	0	(2,500,000)	0	2,000,000	5,890,000	500,000	(500,000)	3,020,000	10,910,000
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 (4.33% Assumed Reinvestment Rate)[1]					Base Case (5.33% Assumed Reinvestment Rate)[1]					Up 100 (6.33% 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
Oct-26	186,992,652	52.3%	3.72	4.77	4.54	186,992,652	52.3%	3.72	4.77	5.06	186,992,652	52.3%	3.72	4.77	5.58
Nov-26	0	52.3%	0.00	4.77	4.54	0	52.3%	0.00	4.77	5.06	0	52.3%	0.00	4.77	5.58
Dec-26	12,000,000	55.7%	1.30	5.03	4.64	10,000,000	55.1%	0.66	5.02	5.19	10,000,000	55.1%	0.66	5.02	5.74
Jan-27	0	55.7%	0.00	5.03	4.64	0	55.1%	0.00	5.02	5.19	0	55.1%	0.00	5.02	5.74
Feb-27	11,000,000	58.7%	11.69	4.54	4.41	10,000,000	57.9%	12.42	4.54	5.00	10,000,000	57.9%	12.42	4.54	5.57
Mar-27	0	58.7%	0.00	4.54	4.41	0	57.9%	0.00	4.54	5.00	0	57.9%	0.00	4.54	5.57
Apr-27	5,500,000	60.3%	10.87	4.29	4.31	5,500,000	59.4%	10.87	4.30	4.91	5,500,000	59.4%	10.87	4.30	5.51
May-27	0	60.3%	0.00	4.29	4.31	0	59.4%	0.00	4.30	4.91	0	59.4%	0.00	4.30	5.51
Jun-27	5,000,000	61.7%	6.08	4.23	4.29	5,000,000	60.8%	6.08	4.24	4.90	5,000,000	60.8%	6.08	4.24	5.51
Jul-27	4,000,000	62.8%	5.23	4.20	4.28	1,000,000	61.1%	7.49	4.21	4.89	1,000,000	61.1%	7.49	4.21	5.51
Aug-27	1,000,000	63.1%	4.29	4.20	4.28	1,000,000	61.4%	4.29	4.21	4.90	1,000,000	61.4%	4.29	4.21	5.51
Sep-27	4,500,000	64.3%	3.97	4.21	4.28	2,500,000	62.1%	3.15	4.23	4.91	2,500,000	62.1%	3.15	4.23	5.53
Oct-27	2,000,000	64.9%	5.99	4.18	4.27	2,000,000	62.7%	5.99	4.21	4.91	2,000,000	62.7%	5.99	4.21	5.53
Nov-27	3,000,000	65.7%	4.20	4.18	4.28	3,000,000	63.5%	4.20	4.21	4.92	3,000,000	63.5%	4.20	4.21	5.55
Dec-27	2,990,000	66.6%	4.02	4.18	4.28	1,490,000	63.9%	4.24	4.21	4.92	1,490,000	63.9%	4.24	4.21	5.56
Jan-28	6,000,000	68.2%	4.52	4.16	4.27	5,000,000	65.3%	4.48	4.20	4.93	5,000,000	65.3%	4.48	4.20	5.59
Feb-28	2,906,000	69.1%	4.19	4.16	4.28	2,906,000	66.1%	4.19	4.20	4.94	2,906,000	66.1%	4.19	4.20	5.60
Mar-28	500,000	69.2%	6.97	4.15	4.27	3,000,000	67.0%	4.47	4.19	4.95	3,000,000	67.0%	4.47	4.19	5.62
Apr-28	2,000,000	69.8%	3.68	4.16	4.28	2,000,000	67.5%	3.68	4.20	4.96	2,000,000	67.5%	3.68	4.20	5.63
May-28	4,000,000	70.9%	4.48	4.15	4.27	2,000,000	68.1%	3.95	4.20	4.97	2,000,000	68.1%	3.95	4.20	5.65
Jun-28	7,390,000	72.9%	4.38	4.13	4.27	1,500,000	68.5%	4.37	4.20	4.97	1,500,000	68.5%	4.37	4.20	5.66
Jul-28	3,000,000	73.8%	4.22	4.12	4.27	2,500,000	69.2%	4.29	4.20	4.98	2,500,000	69.2%	4.29	4.20	5.67
Aug-28	5,000,000	75.2%	4.10	4.13	4.28	5,500,000	70.7%	4.08	4.20	5.00	5,500,000	70.7%	4.08	4.20	5.71
Sep-28	5,420,000	76.7%	4.31	4.11	4.28	2,400,000	71.4%	4.09	4.21	5.01	2,400,000	71.4%	4.09	4.21	5.72
Oct-28	2,000,000	77.3%	4.01	4.12	4.28	2,000,000	72.0%	4.01	4.21	5.01	2,000,000	72.0%	4.01	4.21	5.73
Nov-28	4,000,000	78.4%	3.90	4.13	4.28	2,000,000	72.5%	3.55	4.22	5.02	2,000,000	72.5%	3.55	4.22	5.75
Dec-28	250,000	78.4%	4.25	4.13	4.28	4,140,000	73.7%	4.33	4.22	5.03	4,140,000	73.7%	4.33	4.22	5.77
Jan-29	1,000,000	78.7%	4.11	4.13	4.28	1,000,000	74.0%	4.11	4.22	5.04	1,000,000	74.0%	4.11	4.22	5.78
Feb-29	2,250,000	79.4%	4.07	4.13	4.29	3,750,000	75.0%	4.13	4.22	5.05	3,750,000	75.0%	4.13	4.22	5.80
Mar-29	4,750,000	80.7%	3.98	4.14	4.29	6,750,000	76.9%	4.29	4.22	5.07	4,750,000	76.3%	3.98	4.24	5.83
Apr-29	5,000,000	82.1%	4.08	4.14	4.29	3,000,000	77.7%	4.00	4.23	5.08	3,000,000	77.2%	4.00	4.25	5.85
May-29	1,500,000	82.5%	4.17	4.14	4.29	3,500,000	78.7%	4.21	4.23	5.09	3,500,000	78.2%	4.21	4.25	5.87
Jun-29	6,745,000	84.4%	4.24	4.13	4.30	6,745,000	80.6%	4.39	4.21	5.11	6,745,000	80.0%	4.39	4.23	5.91
Jul-29	1,000,000	84.7%	3.77	4.14	4.30	4,000,000	81.7%	4.31	4.21	5.12	4,000,000	81.2%	4.31	4.23	5.93
Aug-29	4,500,000	85.9%	4.42	4.11	4.30	6,500,000	83.5%	4.60	4.16	5.13	6,500,000	83.0%	4.60	4.19	5.96
Sep-29	5,000,000	87.3%	4.04	4.12	4.30	7,000,000	85.5%	4.03	4.18	5.16	9,000,000	85.5%	4.24	4.18	6.02

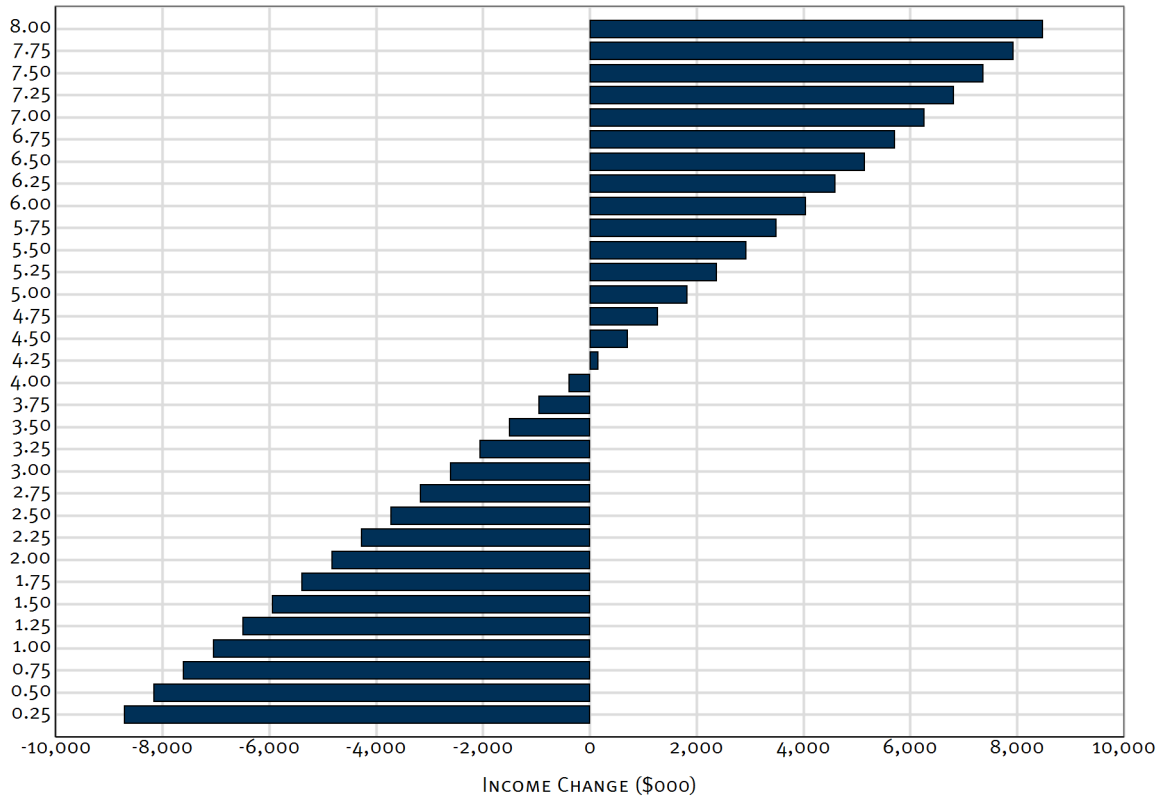
[1] Base reinvestment set at 5 Year Treasury rate +50 basis points

Cash Flow Analysis

Gap Analysis - Potential Income Impact of Principal Reinvestment

Principal Maturing (12 Mo Horizon)	221,993
Current Book Yield of Principal Maturing	4.18%
Estimated Annual Income at Current Book Yield	$9,280

Estimated Impact on Income at Various Reinvestment Yields



Assumed Reinvestment Yield	Estimated Annualized Income	Income Difference From Current Book	Resulting Book Yield
0.25	555	-8,725	1.93
0.50	1,110	-8,170	2.08
0.75	1,665	-7,615	2.24
1.00	2,220	-7,060	2.39
1.25	2,775	-6,505	2.55
1.50	3,330	-5,950	2.70
1.75	3,885	-5,395	2.86
2.00	4,440	-4,840	3.01
2.25	4,995	-4,285	3.17
2.50	5,550	-3,730	3.32
2.75	6,105	-3,175	3.48
3.00	6,660	-2,620	3.64
3.25	7,215	-2,065	3.79
3.50	7,770	-1,510	3.95
3.75	8,325	-955	4.10
4.00	8,880	-400	4.26
4.25	9,435	155	4.41
4.50	9,990	710	4.57
4.75	10,545	1,265	4.72
5.00	11,100	1,820	4.88
5.25	11,655	2,375	5.03
5.50	12,210	2,930	5.19
5.75	12,765	3,485	5.34
6.00	13,320	4,040	5.50
6.25	13,875	4,595	5.65
6.50	14,430	5,150	5.81
6.75	14,985	5,705	5.96
7.00	15,539	6,260	6.12
7.25	16,094	6,815	6.27
7.50	16,649	7,370	6.43
7.75	17,204	7,925	6.58
8.00	17,759	8,480	6.74

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
FHLMC 0.8 10/27/26	3134GW4C7	10/27/26		0.80%	5,000,000	445,080		10/27/26	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 1.29 12/22/26	3133ENJC5	12/22/26	10/16/26	1.29%	5,000,000	(36,345)	1.29%	10/4/26	12/22/26	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	271,675		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 2 02/25/27	3130AQRH8	2/25/27	11/25/26	2.00%	5,000,000	357,505	24.55%	11/25/26	11/25/26	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	11/26/26	0.90%	5,000,000	445,870		11/26/26	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27	2/26/27
SCHW 3.3 04/01/27	808513BW4	4/1/27	1/1/27	3.30%	500,000	17,383	11.99%	1/1/27	1/1/27	1/1/27	4/1/27	4/1/27	4/1/27	4/1/27	4/1/27	4/1/27
FHLB 3.175 04/19/27	3130ARHJ3	4/19/27	10/19/26	3.18%	5,000,000	160,865	10.76%	10/19/26	10/19/26	10/19/26	4/19/27	4/19/27	4/19/27	4/19/27	4/19/27	4/19/27
USTN 3.25 06/30/27	91282CEW7	6/30/27		3.25%	5,000,000	56,276	6.08%	6/30/27	6/30/27	6/30/27	6/30/27	6/30/27	6/30/27	6/30/27	6/30/27	6/30/27
RNR 3.45 07/01/27	75973QAA5	7/1/27	4/1/27	3.45%	500,000	19,441	10.38%	4/1/27	4/1/27	4/1/27	7/1/27	7/1/27	7/1/27	7/1/27	7/1/27	7/1/27
UBSG 5 07/09/27	22550L2K6	7/9/27		5.00%	500,000	(1,069)	4.75%	7/9/27	7/9/27	7/9/27	7/9/27	7/9/27	7/9/27	7/9/27	7/9/27	7/9/27
UST 3.625 08/31/27	91282CNV9	8/31/27		3.63%	1,000,000	(2,618)	4.29%	8/31/27	8/31/27	8/31/27	8/31/27	8/31/27	8/31/27	8/31/27	8/31/27	8/31/27

Supplemental Analysis

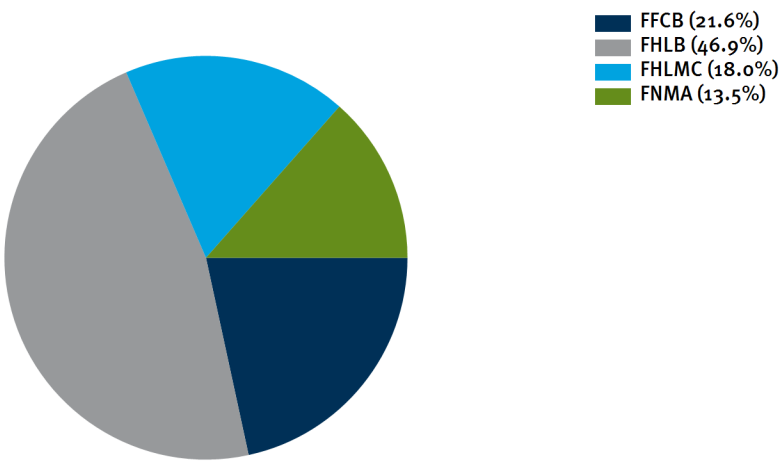
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Sector Supplemental Analysis

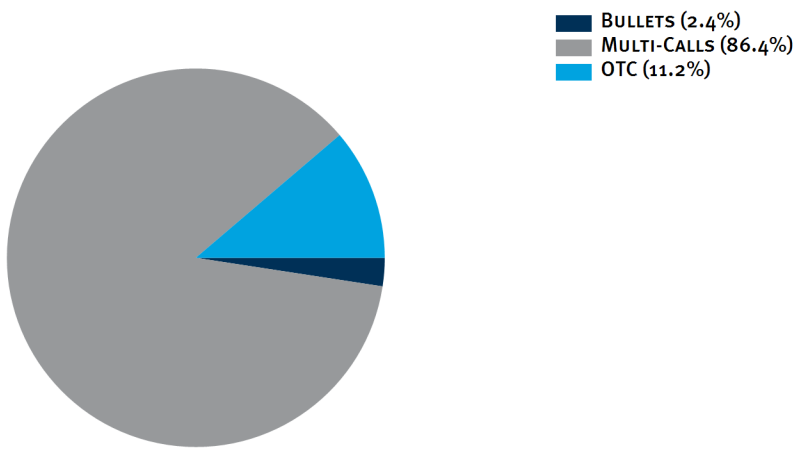
Agency Sector Call Analysis

Agency Structure	-400	-300	-200	-100	Base	+100	+200	+300	+400
Bullets									
Market Value	2,002,145	1,981,920	1,961,997	1,942,374	**1,923,044**	1,904,000	1,885,235	1,866,745	1,848,526
Projected Yield At Book Price	5.99%	5.99%	5.99%	5.99%	**5.99%**	5.99%	5.99%	5.99%	5.99%
Average Life	1.0	1.0	1.0	1.0	**1.0**	1.0	1.0	1.0	1.0
Price Volatility	4.1%	3.1%	2.0%	1.0%	**0.0%**	-1.0%	-2.0%	-2.9%	-3.9%
Multi-Calls									
Market Value	70,326,927	70,108,109	69,839,241	69,254,178	**68,249,967**	67,085,425	65,882,108	64,688,126	63,522,562
Projected Yield At Book Price	4.69%	4.69%	6.36%	6.10%	**6.10%**	6.10%	6.10%	6.10%	6.10%
Average Life	0.3	0.3	0.4	1.7	**2.1**	2.1	2.1	2.1	2.1
Price Volatility	3.0%	2.7%	2.3%	1.5%	**0.0%**	-1.7%	-3.5%	-5.2%	-6.9%
One-Time Callables									
Market Value	9,395,167	9,273,592	9,153,575	9,026,610	**8,867,495**	8,684,586	8,500,303	8,319,837	8,144,172
Projected Yield At Book Price	4.27%	4.27%	4.27%	4.27%	**4.28%**	4.28%	4.28%	4.28%	4.28%
Average Life	1.3	1.3	1.3	1.3	**2.3**	2.3	2.3	2.3	2.3
Price Volatility	6.0%	4.6%	3.2%	1.8%	**0.0%**	-2.1%	-4.1%	-6.2%	-8.1%

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

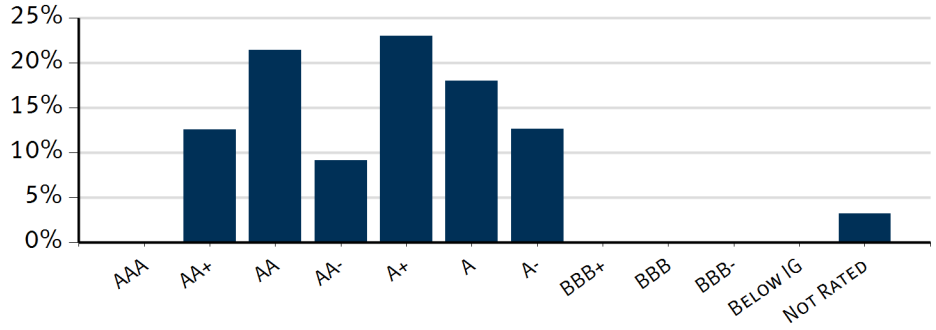
	MBS Portfolio								CMO Portfolio								CMO and MBS Combined							
	FNMA/FHLMC					GNMA			FNMA/FHLMC					GNMA			FNMA/FHLMC					GNMA		
	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other	10YR	15YR	20YR	30YR	Other	15YR	30YR	Other
<2.0%																								
2.00%																								
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Sector Supplemental Analysis

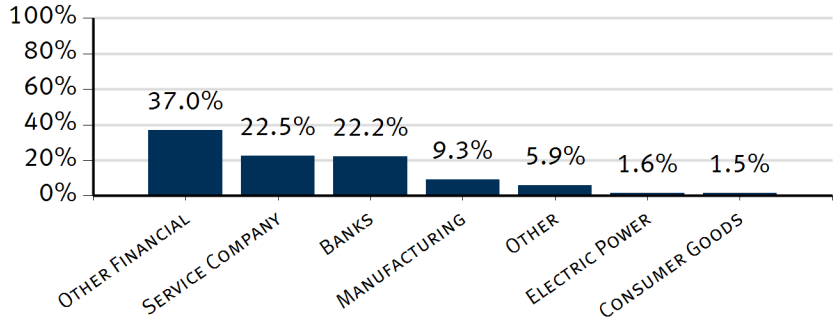
Corporate Portfolio - Analytics by S&P Rating

	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+	12.5%	3,872,788		4.18	4.18	4.18	4.18	4.18	4.18	4.18	4.18		3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1		9.0	5.9	2.9	-2.8	-5.5	-8.1	-10.6
AA	21.4%	6,744,477		4.25	4.25	4.24	4.24	4.24	4.24	4.24	4.24		3.3	3.3	3.4	3.4	3.4	3.4	3.4	3.4		9.6	6.3	3.1	-3.0	-5.9	-8.7	-11.4
AA-	9.2%	2,855,372		4.10	4.10	4.11	4.11	4.11	4.11	4.11	4.11		3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3		9.5	6.2	3.1	-3.0	-5.8	-8.5	-11.2
A+	23.0%	7,086,574		4.24	4.24	4.24	4.24	4.24	4.24	4.24	4.24		3.3	3.3	3.8	3.8	3.8	3.8	3.8	3.8		10.2	6.8	3.4	-3.3	-6.5	-9.6	-12.5
A	18.0%	5,493,429		4.26	4.26	4.26	4.27	4.27	4.27	4.27	4.27		1.7	1.7	2.6	3.2	3.2	3.2	3.2	3.2		6.3	4.5	2.4	-2.6	-5.2	-7.8	-10.3
A-	12.7%	3,900,488		6.58	6.48	5.39	5.39	5.39	5.39	5.39	5.39		1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0		4.4	3.3	1.8	-1.8	-3.6	-5.4	-7.1
Not Rated	3.2%	984,714		8.64	8.64	6.95	6.95	6.95	6.95	6.95	6.95		1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8		5.2	3.5	1.7	-1.7	-3.3	-4.9	-6.5
Total	**100.0%**	**30,937,841**		**4.65**	**4.64**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**		**2.7**	**2.7**	**3.1**	**3.2**	**3.2**	**3.2**	**3.2**	**3.2**		**8.3**	**5.6**	**2.8**	**-2.8**	**-5.5**	**-8.1**	**-10.6**

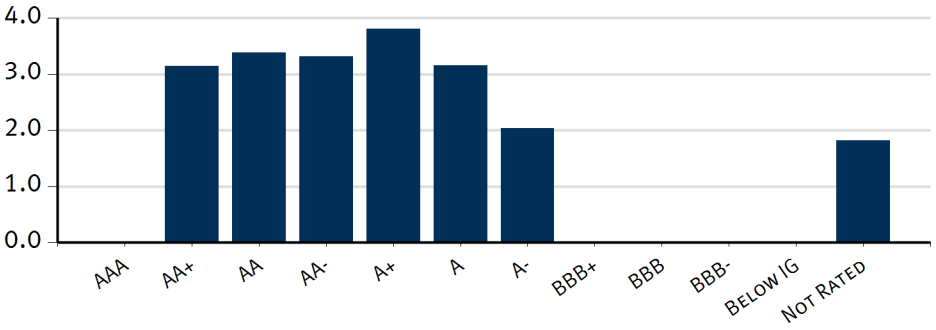
Corporate Sector - Allocation by S&P Rating



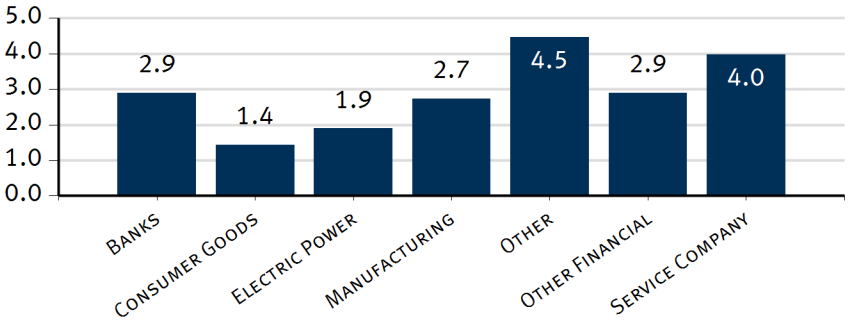
Corporate Sector - Allocation by Industry



Corporate Sector - Weighted Avg Life by S&P Rating



Corporate Sector - Weighted Avg Life by Industry

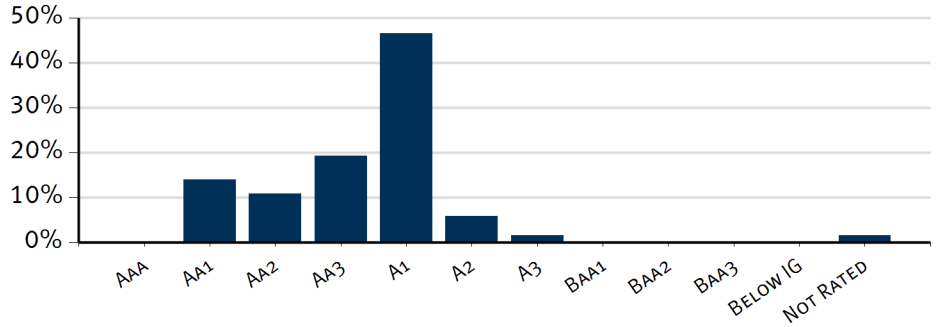


Sector Supplemental Analysis

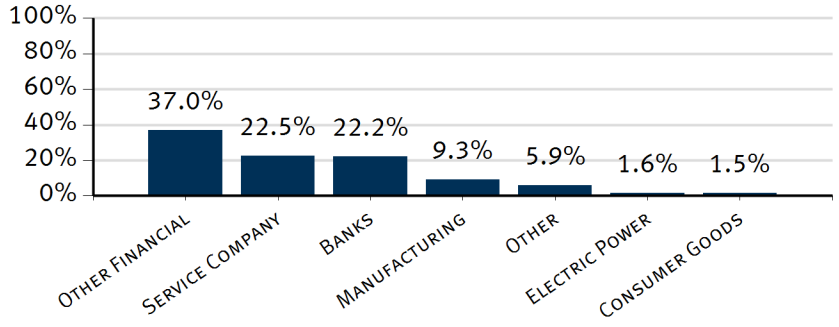
Corporate Portfolio - Analytics by Moody's Rating

	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
Aa1	14.0%	4,403,138		4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35		2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4		7.0	4.6	2.3	-2.2	-4.4	-6.5	-8.5
Aa2	10.9%	3,332,298		4.18	4.18	4.18	4.18	4.18	4.18	4.18	4.18		2.7	2.7	3.9	3.9	3.9	3.9	3.9	3.9		9.4	6.5	3.3	-3.3	-6.5	-9.6	-12.5
Aa3	19.3%	5,936,875		4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08		3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1		8.9	5.8	2.9	-2.8	-5.4	-8.0	-10.5
A1	46.6%	14,408,930		4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21		2.7	2.7	3.3	3.5	3.5	3.5	3.5	3.5		8.5	5.8	3.0	-3.0	-5.9	-8.8	-11.5
A2	5.9%	1,871,887		9.61	9.40	7.10	7.10	7.10	7.10	7.10	7.10		2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3		6.5	4.3	2.1	-2.1	-4.1	-6.0	-7.9
A3	1.6%	494,911		13.88	13.88	10.38	10.38	10.38	10.38	10.38	10.38		0.5	0.5	0.8	0.8	0.8	0.8	0.8	0.8		1.9	1.4	0.7	-0.7	-1.4	-2.2	-2.9
Not Rated	1.6%	489,803		3.76	3.76	3.76	3.76	3.76	3.76	3.76	3.76		2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9		8.3	5.5	2.7	-2.6	-5.1	-7.6	-9.9
Total	**100.0%**	**30,937,841**		**4.65**	**4.64**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**		**2.7**	**2.7**	**3.1**	**3.2**	**3.2**	**3.2**	**3.2**	**3.2**		**8.3**	**5.6**	**2.8**	**-2.8**	**-5.5**	**-8.1**	**-10.6**

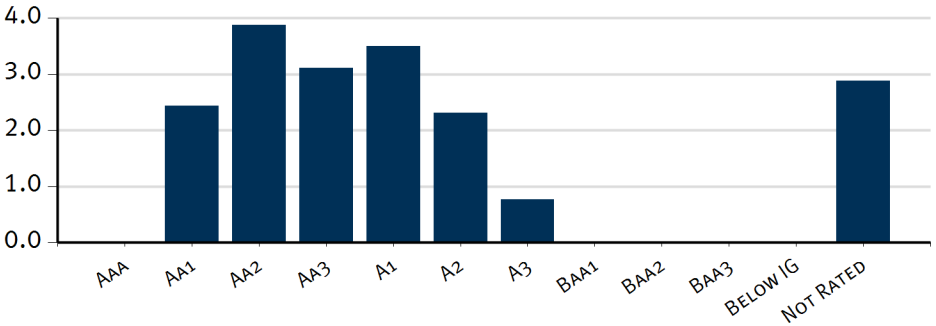
Corporate Sector - Allocation by Moody's Rating



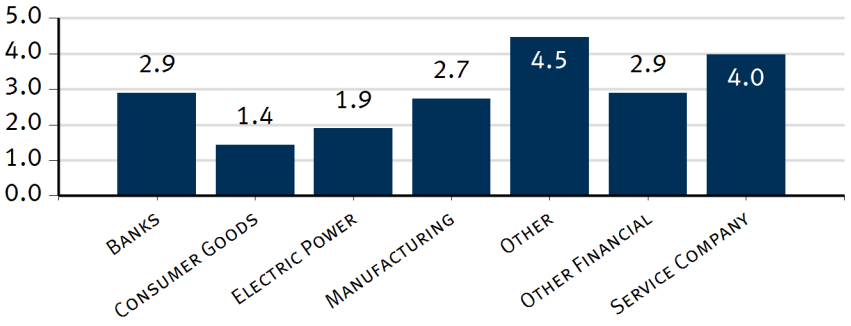
Corporate Sector - Allocation by Industry



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	94.36	-112,897	4.10	4.5	-11.2	-210,838	-323,736	4.0	AFS
023135DD5	Services	AMZN 4.25 03/13/31	4.25	03/13/31	1,500,000	99.68	95.14	-68,097	4.33	4.5	-11.1	-158,856	-226,953	4.0	AFS
02079KBK2	Services	GOOGL 4.1 02/15/31	4.10	02/15/31	1,000,000	100.60	94.92	-56,772	3.95	4.4	-11.0	-104,544	-161,316	3.9	AFS
3134HCXZ7	Callable Agency	FHLMC 3.7 03/10/31	3.70	03/10/31	2,000,000	99.40	94.47	-98,510	3.85	4.5	-10.9	-206,487	-304,997	3.6	AFS
91282CJQ5	Treasury	USTN 3.75 12/31/30	3.75	12/31/30	1,000,000	99.59	95.23	-43,594	3.85	4.3	-10.8	-103,289	-146,884	3.9	AFS
89236TPH2	Finance	TOYOM 4.2 01/10/31	4.20	01/10/31	1,000,000	99.83	95.47	-43,584	4.24	4.3	-10.8	-103,120	-146,704	3.9	AFS
3130BAGD3	Callable Agency	FHLB 4.2 04/23/31	4.20	04/23/31	2,000,000	100.00	96.20	-76,062	4.20	4.6	-10.8	-206,910	-282,972	3.3	AFS
95004HBB3	Finance	WFC 4.15 02/12/31	4.15	02/12/31	2,000,000	100.00	94.16	-116,772	4.15	4.4	-10.7	-202,198	-318,970	3.6	AFS
46660NBS1	Finance	JPM 4.875 05/12/31	4.88	05/12/31	2,000,000	100.00	96.50	-69,964	4.87	4.6	-10.5	-203,372	-273,336	3.1	AFS
023135CT1	Services	AMZN 4.1 11/20/30	4.10	11/20/30	1,500,000	100.70	95.18	-82,820	3.91	4.2	-10.5	-149,881	-232,700	3.7	AFS
			4.16		16,000,000	99.96	95.16	-769,072	4.17	4.4	-10.8	-1,649,496	-2,418,568	3.6	

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	96.76	-104,194	4.27	3.2	-8.4	-404,757	-508,952	2.9	AFS
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	95.71	-171,692	4.00	4.3	-10.4	-396,988	-568,680	3.3	AFS
91282CFT3	Treasury	USTN 4 10/31/29	4.00	10/31/29	5,000,000	99.77	97.21	-127,578	4.08	3.1	-8.2	-396,457	-524,035	2.9	AFS
91282CFL0	Treasury	USTN 3.875 09/30/29	3.88	09/30/29	5,000,000	99.54	96.95	-129,829	4.04	3.0	-8.0	-386,216	-516,045	2.8	AFS
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	126,343,897	100.00	100.00		3.80	0.1	-0.3	-320,282	-320,282	0.1	AFS
91282CPA3	Treasury	USTN 3.625 09/30/30	3.63	09/30/30	3,000,000	100.52	95.06	-163,713	3.49	4.0	-10.3	-293,993	-457,707	3.7	AFS
3134HADY6	Callable Agency	FHLMC 4 08/14/29	4.00	08/14/29	4,000,000	98.65	97.06	-63,652	4.50	2.9	-7.4	-287,294	-350,946	2.3	AFS
3133ET5K9	Callable Agency	FFCB 4.07 06/26/30	4.07	06/26/30	3,000,000	99.95	96.42	-105,933	4.08	3.8	-9.2	-264,965	-370,898	2.8	AFS
3136GAGW3	Agency Bullet	FNMA 4.1 08/10/28	4.10	08/10/28	5,000,000	100.00	98.56	-72,130	4.10	1.9	-5.1	-252,977	-325,107	1.8	AFS
91282CGB1	Treasury	USTN 3.875 12/31/29	3.88	12/31/29	3,000,000	98.33	96.70	-48,857	4.43	3.3	-8.6	-248,416	-297,274	3.0	AFS
			3.86		163,343,897	99.89	99.28	-987,579	3.87	0.8	-2.0	-3,252,345	-4,239,924	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
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	95.71	-171,692	4.00	4.3	-10.4	-396,988	-568,680	3.3	AFS
91282CFT3	Treasury	USTN 4 10/31/29	4.00	10/31/29	5,000,000	99.77	97.21	-127,578	4.08	3.1	-8.2	-396,457	-524,035	2.9	AFS
91282CFL0	Treasury	USTN 3.875 09/30/29	3.88	09/30/29	5,000,000	99.54	96.95	-129,829	4.04	3.0	-8.0	-386,216	-516,045	2.8	AFS
91282CFY2	Treasury	USTN 3.875 11/30/29	3.88	11/30/29	5,000,000	98.84	96.76	-104,194	4.27	3.2	-8.4	-404,757	-508,952	2.9	AFS
91282CPA3	Treasury	USTN 3.625 09/30/30	3.63	09/30/30	3,000,000	100.52	95.06	-163,713	3.49	4.0	-10.3	-293,993	-457,707	3.7	AFS
3133ET5K9	Callable Agency	FFCB 4.07 06/26/30	4.07	06/26/30	3,000,000	99.95	96.42	-105,933	4.08	3.8	-9.2	-264,965	-370,898	2.8	AFS
3134HADY6	Callable Agency	FHLMC 4 08/14/29	4.00	08/14/29	4,000,000	98.65	97.06	-63,652	4.50	2.9	-7.4	-287,294	-350,946	2.3	AFS
3136GAGW3	Agency Bullet	FNMA 4.1 08/10/28	4.10	08/10/28	5,000,000	100.00	98.56	-72,130	4.10	1.9	-5.1	-252,977	-325,107	1.8	AFS
38151GAJ0	Other	GOLDMAN SACHS BK CD	4.10	03/12/31	2,000,000	100.00	94.36	-112,897	4.10	4.5	-11.2	-210,838	-323,736	4.0	AFS
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	126,343,897	100.00	100.00		3.80	0.1	-0.3	-320,282	-320,282	0.1	AFS
			3.86		162,343,897	99.92	99.27	-1,051,619	3.86	0.8	-2.0	-3,214,767	-4,266,386	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
3130BBP41	Callable Agency	FHLB 5.08 08/11/31	5.08	08/11/31	1,000,000	100.00	98.57	-14,269	5.08	-9.9	2.4	4.3	4.9	0.6	AFS
3130BCAL7	Callable Agency	FHLB 5 09/28/29	5.00	09/28/29	2,000,000	100.00	99.51	-9,768	5.00	-6.9	1.9	2.5	3.0	0.5	AFS
3130BA4X2	Callable Agency	FHLB 4.75 04/14/31	4.75	04/14/31	1,520,000	100.00	97.92	-31,651	4.75	-9.9	2.6	4.3	4.6	0.2	AFS
3130BB6W0	Callable Agency	FHLB 4.35 12/21/28	4.35	12/21/28	2,000,000	100.00	98.52	-29,616	4.35	-5.8	1.7	2.2	2.2	0.0	AFS
3130BBAN5	Callable Agency	FHLB 4.5 06/15/29	4.50	06/15/29	2,000,000	100.00	98.34	-33,258	4.50	-6.8	2.0	2.7	2.7	0.0	AFS
3130BBN76	Callable Agency	FHLB 4.75 01/29/30	4.75	01/29/30	1,000,000	100.00	98.48	-15,244	4.75	-7.8	2.1	3.4	3.4	0.0	AFS
3136GCCY9	Callable Agency	FNMA 4 01/06/31	4.00	01/06/31	4,000,000	100.00	95.71	-171,692	4.00	-10.4	3.3	4.3	4.3	0.0	AFS
3133ET5K9	Callable Agency	FFCB 4.07 06/26/30	4.07	06/26/30	3,000,000	99.95	96.42	-105,933	4.08	-9.2	2.8	3.8	3.8	0.0	AFS
3130B9RD4	Callable Agency	FHLB 4 09/10/29	4.00	09/10/29	2,000,000	100.00	96.98	-60,306	4.00	-7.6	2.4	3.0	3.0	0.0	AFS
3130B8BF8	Callable Agency	FHLB 3.95 11/06/30	3.95	11/06/30	830,000	100.37	95.51	-40,357	3.85	-10.0	3.2	4.1	4.1	0.0	AFS
			4.35		19,350,000	100.01	97.36	-512,094	4.35	-8.4	2.5	3.5	3.6	0.1	

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		98.50	445,870	10.0%	0.4	0.4	-0.4	-1.2	0.4
3130AQRH8	AFS	FHLB 2 02/25/27	Callable	5,000,000	Fixed	2.000		2/25/27	91.81	24.55	98.96	357,505	7.8%	0.4	0.4	-0.4	-1.2	0.4
3130ARHJ3	AFS	FHLB 3.175 04/19/27	Callable	5,000,000	Fixed	3.180		4/19/27	96.03	10.76	99.24	160,865	3.4%	0.6	0.5	-0.5	-1.6	0.5
3130B3XP3	AFS	FHLB 4.5 12/04/29	Callable	1,000,000	Fixed	4.500		12/4/29	100.00	4.50	98.44	(15,642)	-1.6%	3.2	1.7	-2.8	-8.3	2.3
3130B4RC7	AFS	FHLB 4.5 07/27/29	Callable	3,000,000	Fixed	4.500		7/27/29	100.00	4.50	98.51	(44,733)	-1.5%	2.8	1.8	-2.3	-7.2	2.1
3130B8BF8	AFS	FHLB 3.95 11/06/30	Callable	830,000	Fixed	3.950		11/6/30	100.37	3.85	95.51	(40,357)	-4.8%	4.1	3.0	-3.3	-10.0	3.2
3130B9RD4	AFS	FHLB 4 09/10/29	Callable	2,000,000	Fixed	4.000		9/10/29	100.00	4.00	96.98	(60,306)	-3.0%	3.0	2.2	-2.5	-7.6	2.4
3130B9WM8	AFS	FHLB 4 03/14/28	Callable	2,500,000	Fixed	4.000		3/14/28	100.00	4.00	98.89	(27,855)	-1.1%	1.5	1.1	-1.3	-4.0	1.2
3130BA4X2	AFS	FHLB 4.75 04/14/31	Callable	1,520,000	Fixed	4.750		4/14/31	100.00	4.75	97.92	(31,651)	-2.1%	4.3	2.1	-3.0	-9.9	2.6
3130BAGD3	AFS	FHLB 4.2 04/23/31	Callable	2,000,000	Fixed	4.200		4/23/31	100.00	4.20	96.20	(76,062)	-3.8%	4.6	3.0	-3.5	-10.8	3.3
3130BAW52	AFS	FHLB 4.32 12/15/28	Callable	1,890,000	Fixed	4.320		12/15/28	100.00	4.32	98.47	(28,847)	-1.5%	2.2	1.5	-1.9	-5.8	1.7
3130BB6W0	AFS	FHLB 4.35 12/21/28	Callable	2,000,000	Fixed	4.350		12/21/28	100.00	4.35	98.52	(29,616)	-1.5%	2.3	1.5	-1.9	-5.8	1.7
3130BBAN5	AFS	FHLB 4.5 06/15/29	Callable	2,000,000	Fixed	4.500		6/15/29	100.00	4.50	98.34	(33,258)	-1.7%	2.7	1.8	-2.2	-6.8	2.0
3130BBN76	AFS	FHLB 4.75 01/29/30	Callable	1,000,000	Fixed	4.750		1/29/30	100.00	4.75	98.48	(15,244)	-1.5%	3.4	1.7	-2.4	-7.8	2.1
3130BBP41	AFS	FHLB 5.08 08/11/31	Callable	1,000,000	Fixed	5.080		8/11/31	100.00	5.08	98.57	(14,269)	-1.4%	4.3	1.8	-2.9	-9.9	2.4
3130BCAL7	AFS	FHLB 5 09/28/29	Callable	2,000,000	Fixed	5.000		9/28/29	100.00	5.00	99.51	(9,768)	-0.5%	2.5	1.6	-2.1	-6.9	1.9
3133ENJC5	AFS	FFCB 1.29 12/22/26	Callable	5,000,000	Fixed	1.290		12/22/26	100.00	1.29	99.27	(36,345)	-0.7%	0.3	0.2	-0.2	-0.7	0.2
3133ERE23	AFS	FFCB 4.32 12/02/27	Callable	1,000,000	Fixed	4.320		12/2/27	100.00	4.32	99.54	(4,594)	-0.5%	1.2	0.6	-1.0	-3.2	0.8
3133ET5K9	AFS	FFCB 4.07 06/26/30	Callable	3,000,000	Fixed	4.070		6/26/30	99.95	4.08	96.42	(105,933)	-3.5%	3.8	2.6	-3.0	-9.2	2.8
3133ETXV4	AFS	FFCB 3.83 09/15/28	Callable	1,400,000	Fixed	3.830		9/15/28	100.17	3.74	97.85	(32,480)	-2.3%	2.0	1.6	-1.8	-5.3	1.7
3133EWFX3	AFS	FFCB 3.7 03/05/29	Callable	2,000,000	Fixed	3.700		3/5/29	99.85	3.76	96.88	(59,382)	-3.0%	2.5	2.0	-2.2	-6.5	2.1
3133EWMX5	AFS	FFCB 4.03 04/30/29	Callable	2,000,000	Fixed	4.030		4/30/29	100.00	4.03	97.39	(52,234)	-2.6%	2.6	2.0	-2.2	-6.7	2.1
3133EWPC8	AFS	FFCB 4.3 11/12/30	Callable	2,000,000	Fixed	4.300		11/12/30	100.00	4.30	96.63	(67,396)	-3.4%	4.1	2.9	-3.2	-9.8	3.1
3133EWTU4	AFS	FFCB 4.16 06/22/28	Callable	1,000,000	Fixed	4.160		6/22/28	99.50	4.46	98.77	(7,331)	-0.7%	1.8	1.3	-1.5	-4.7	1.4
3134GW4C7	AFS	FHLMC 0.8 10/27/26	Callable	5,000,000	Fixed	0.800		10/27/26	90.79		99.69	445,080	9.8%	0.1	0.1	-0.1	-0.2	0.1
3134HADY6	AFS	FHLMC 4 08/14/29	Callable	4,000,000	Fixed	4.000		8/14/29	98.65	4.50	97.06	(63,652)	-1.6%	2.9	2.2	-2.5	-7.4	2.3
3134HCE96	AFS	FHLMC 4.21 02/26/29	Callable	1,500,000	Fixed	4.210		2/26/29	100.00	4.21	98.02	(29,720)	-2.0%	2.4	1.7	-2.0	-6.2	1.9
3134HCV48	AFS	FHLMC 4.25 05/25/29	Callable	2,000,000	Fixed	4.250		5/25/29	100.00	4.25	97.83	(43,332)	-2.2%	2.7	1.9	-2.2	-6.8	2.1
3134HCXZ7	AFS	FHLMC 3.7 03/10/31	Callable	2,000,000	Fixed	3.700		3/10/31	99.40	3.85	94.47	(98,510)	-5.0%	4.5	3.5	-3.7	-10.9	3.6
3135G05Y5	AFS	FNMA 0.75 10/08/27	Bullet	2,000,000	Fixed	0.750		10/8/27	94.88	5.99	96.15	25,418	1.3%	1.0	1.0	-1.0	-2.9	1.0
3136GAGW3	AFS	FNMA 4.1 08/10/28	Callable	5,000,000	Fixed	4.100		8/10/28	100.00	4.10	98.56	(72,130)	-1.4%	1.9	1.8	-1.8	-5.1	1.8
3136GCCY9	AFS	FNMA 4 01/06/31	Callable	4,000,000	Fixed	4.000		1/6/31	100.00	4.00	95.71	(171,692)	-4.3%	4.3	3.1	-3.4	-10.4	3.3
912828YX2	AFS	USTN 1.75 12/31/26	Bullet	5,000,000	Fixed	1.750		12/31/26	93.94		99.37	271,675	5.8%	0.3	0.3	-0.3	-0.7	0.3
91282CEV9	AFS	USTN 3.25 06/30/29	Bullet	1,000,000	Fixed	3.250		6/30/29	98.53	3.82	95.62	(29,141)	-3.0%	2.8	2.6	-2.5	-7.4	2.6
91282CEW7	AFS	USTN 3.25 06/30/27	Bullet	5,000,000	Fixed	3.250		6/30/27	97.95	6.08	99.08	56,276	1.1%	0.8	0.7	-0.7	-2.2	0.7
91282CFL0	AFS	USTN 3.875 09/30/29	Bullet	5,000,000	Fixed	3.880		9/30/29	99.54	4.04	96.95	(129,829)	-2.6%	3.0	2.8	-2.7	-8.0	2.8
91282CFM8	AFS	USTN 4.125 09/30/27	Bullet	2,500,000	Fixed	4.130		9/30/27	100.95	3.15	99.53	(35,589)	-1.4%	1.0	1.0	-1.0	-2.8	1.0
91282CFT3	AFS	USTN 4 10/31/29	Bullet	5,000,000	Fixed	4.000		10/31/29	99.77	4.08	97.21	(127,578)	-2.6%	3.1	2.9	-2.8	-8.2	2.9
91282CFY2	AFS	USTN 3.875 11/30/29	Bullet	5,000,000	Fixed	3.880		11/30/29	98.84	4.27	96.76	(104,194)	-2.1%	3.2	3.0	-2.9	-8.4	2.9
91282CFZ9	AFS	USTN 3.875 11/30/27	Bullet	3,000,000	Fixed	3.880		11/30/27	99.63	4.20	99.07	(16,523)	-0.6%	1.2	1.1	-1.1	-3.3	1.1
91282CGB1	AFS	USTN 3.875 12/31/29	Bullet	3,000,000	Fixed	3.880		12/31/29	98.33	4.43	96.70	(48,857)	-1.7%	3.3	3.1	-3.0	-8.6	3.0
91282CGH8	AFS	USTN 3.5 01/31/28	Bullet	2,000,000	Fixed	3.500		1/31/28	99.22	4.11	98.38	(16,876)	-0.9%	1.4	1.3	-1.3	-3.8	1.3
91282CGQ8	AFS	USTN 4 02/28/30	Bullet	1,000,000	Fixed	4.000		2/28/30	100.88	3.72	96.94	(39,375)	-3.9%	3.4	3.2	-3.1	-8.9	3.1
91282CJA0	AFS	USTN 4.625 09/30/28	Bullet	1,000,000	Fixed	4.630		9/30/28	100.09	4.58	99.48	(6,094)	-0.6%	2.0	1.9	-1.9	-5.5	1.9
91282CJQ5	AFS	USTN 3.75 12/31/30	Bullet	1,000,000	Fixed	3.750		12/31/30	99.59	3.85	95.23	(43,594)	-4.4%	4.3	4.0	-3.8	-10.8	3.9

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
91282CMF5	AFS	USTN 4.25 01/15/28	Bullet	3,000,000	Fixed	4.250		1/15/28	99.41	4.72	99.37	(1,173)	0.0%	1.3	1.3	-1.2	-3.6	1.2
91282CMN8	AFS	USTN 4.25 02/15/28	Bullet	1,000,000	Fixed	4.250		2/15/28	99.91	4.32	99.31	(5,977)	-0.6%	1.4	1.3	-1.3	-3.9	1.3
91282CMN8	AFS	USTN 4.25 02/15/28	Bullet	1,000,000	Fixed	4.250		2/15/28	99.69	4.48	99.31	(3,789)	-0.4%	1.4	1.3	-1.3	-3.9	1.3
91282CMW8	AFS	USTN 3.75 04/15/28	Bullet	2,000,000	Fixed	3.750		4/15/28	100.09	3.68	98.42	(33,439)	-1.7%	1.6	1.5	-1.5	-4.3	1.5
91282CND9	AFS	USTN 3.75 05/15/28	Bullet	2,000,000	Fixed	3.750		5/15/28	99.69	3.95	98.31	(27,500)	-1.4%	1.6	1.6	-1.5	-4.5	1.6
91282CNV9	AFS	UST 3.625 08/31/27	Bullet	1,000,000	Fixed	3.630		8/31/27	99.41	4.29	99.14	(2,618)	-0.3%	0.9	0.9	-0.9	-2.6	0.9
91282CPA3	AFS	USTN 3.625 09/30/30	Bullet	3,000,000	Fixed	3.630		9/30/30	100.52	3.49	95.06	(163,713)	-5.4%	4.0	3.7	-3.6	-10.3	3.7
91282CPC9	AFS	USTN 3.5 10/15/28	Bullet	2,000,000	Fixed	3.500		10/15/28	99.02	4.01	97.30	(34,375)	-1.7%	2.1	2.0	-1.9	-5.6	1.9
91282CPK1	AFS	USTN 3.5 11/15/28	Bullet	2,000,000	Fixed	3.500		11/15/28	99.89	3.55	97.17	(54,375)	-2.7%	2.2	2.0	-2.0	-5.8	2.0
91282CRB9	AFS	USTN 4.25 07/31/28	Bullet	1,000,000	Fixed	4.250		7/31/28	99.44	4.57	98.92	(5,195)	-0.5%	1.9	1.8	-1.7	-5.1	1.7
TOTAL		**TSY/AGENCY**		**138,140,000**		**3.451**		**10/30/28**	**98.29**		**97.97**	**(439,447)**	**-0.3%**	**2.1**	**1.7**	**-1.8**	**-5.4**	**1.7**

CUSIP Details

Security Details - Corporate Sector

									Rating								% Price Change			
CUSIP	FAS	Ticker	Current	Cpn	Maturity	Industry	Call Date	Next Reset	S&P	Mdy	Book Price	Yld @ Book	Mkt Price	Gain/Loss	G/L %	Avg Life	-100	+100	+300	Eff Dur
02079KBK2	AFS	GOOGL	1,000,000	4.100	2/15/31	Services	1/15/31		AA+	Aa2	100.60	3.95	94.92	(56,772)	-5.6%	4.4	4.0	-3.8	-11.0	3.9
023135CG9	AFS	AMZN	1,000,000	3.450	4/13/29	Services	2/13/29		AA	A1	98.85	3.93	95.85	(30,005)	-3.0%	2.6	2.4	-2.3	-6.8	2.4
023135CT1	AFS	AMZN	1,500,000	4.100	11/20/30	Services	10/20/30		AA	A1	100.70	3.91	95.18	(82,820)	-5.5%	4.2	3.8	-3.6	-10.5	3.7
023135DD5	AFS	AMZN	1,500,000	4.250	3/13/31	Services	2/13/31		AA	A1	99.68	4.33	95.14	(68,097)	-4.6%	4.5	4.1	-3.9	-11.1	4.0
06055JQF9	AFS	BAC	2,000,000	4.050	2/23/29	Finance	2/23/27		A-	A1	100.00	4.08	96.97	(60,634)	-3.0%	2.4	2.0	-2.1	-6.3	2.0
06406RBK2	AFS	BNY	1,000,000	4.600	7/26/30	Finance	7/26/29		A	Aa3	102.20	3.77	97.94	(42,513)	-4.2%	2.8	2.7	-2.6	-7.5	2.6
06406RBN6	AFS	BNY	656,000	4.540	2/1/29	Finance	2/1/28		A	Aa3	101.08	3.70	99.15	(12,719)	-1.9%	1.4	1.3	-1.3	-3.7	1.3
22550L2K6	AFS	UBSG	500,000	5.000	7/9/27	Finance			A+	Aa2	100.18	4.75	99.97	(1,069)	-0.2%	0.8	0.8	-0.7	-2.2	0.8
30303MAB8	AFS	META	1,500,000	4.200	11/15/30	Services	10/15/30		AA-	Aa3	100.70	4.01	95.19	(82,700)	-5.5%	4.2	3.8	-3.6	-10.4	3.7
38151GAJ0	AFS		2,000,000	4.100	3/12/31				A+	A1	100.00	4.10	94.36	(112,897)	-5.6%	4.5	4.1	-3.9	-11.2	4.0
46647PBD7	AFS	JPM	1,500,000	3.700	5/6/30	Finance	5/6/29		A	A1	98.87	4.17	95.66	(48,024)	-3.2%	2.6	2.5	-2.4	-7.0	2.4
46660NBS1	AFS	JPM	2,000,000	4.880	5/12/31	Finance	5/12/27		A	A1	100.00	4.87	96.50	(69,964)	-3.5%	4.6	2.9	-3.4	-10.5	3.1
57629TBX4	AFS	MMGFB	1,500,000	4.550	5/7/30	Finance			AA+	Aa3	100.48	4.40	96.78	(55,535)	-3.7%	3.6	3.3	-3.2	-9.3	3.3
59217GEZ8	AFS	METLF	1,500,000	3.300	3/21/29	Finance			AA-	Aa3	97.90	4.20	95.17	(40,929)	-2.8%	2.5	2.4	-2.3	-6.7	2.3
6174468G7	AFS	MS	1,000,000	4.430	1/23/30	Finance	1/23/29		A-	A1	100.70	4.11	97.77	(29,344)	-2.9%	2.3	2.2	-2.1	-6.2	2.2
64952WFP3	AFS	NYLIN	1,500,000	4.150	7/25/28	Finance			AA+	Aa1	100.07	4.11	98.13	(29,156)	-1.9%	1.8	1.7	-1.7	-5.0	1.7
67066GAQ7	AFS	NVDA	3,000,000	4.350	6/15/29	Industrial	5/15/29		AA	Aa1	99.69	4.47	97.71	(59,457)	-2.0%	2.7	2.5	-2.5	-7.2	2.5
718172CE7	AFS	PM	500,000	3.130	3/2/28	Industrial	12/2/27		A-	A2	94.88	6.97	97.34	12,297	2.6%	1.4	1.4	-1.4	-4.0	1.4
75973QAA5	AFS	RNR	500,000	3.450	7/1/27	Finance	4/1/27			A3	95.09	10.38	98.98	19,441	4.1%	0.8	0.7	-0.7	-2.2	0.7
797440CE2	AFS	SRE	500,000	4.950	8/15/28	Utility	7/15/28		A	A1	101.87	3.90	99.72	(10,751)	-2.1%	1.9	1.8	-1.7	-5.1	1.7
808513BW4	AFS	SCHW	500,000	3.300	4/1/27	Finance	1/1/27		A-	A2	95.88	11.99	99.35	17,383	3.6%	0.5	0.5	-0.5	-1.5	0.5
89236TMK8	AFS	TOYOM	500,000	4.550	8/9/29	Finance					102.12	3.76	97.96	(20,785)	-4.1%	2.9	2.7	-2.6	-7.6	2.6
89236TPH2	AFS	TOYOM	1,000,000	4.200	1/10/31	Finance			A+	A1	99.83	4.24	95.47	(43,584)	-4.4%	4.3	3.9	-3.8	-10.8	3.9
89236TPQ2	AFS	TOYOM	1,000,000	4.050	3/13/29	Finance			A+	A1	99.76	4.15	97.33	(24,336)	-2.4%	2.5	2.3	-2.3	-6.6	2.3
91324PDX7	AFS	UNH	1,000,000	2.000	5/15/30	Services			A+	A2	91.42	4.60	88.84	(25,791)	-2.8%	3.6	3.5	-3.3	-9.7	3.4
95004HBB3	AFS	WFC	2,000,000	4.150	2/12/31	Finance	2/12/29		A+	Aa2	100.00	4.15	94.16	(116,772)	-5.8%	4.4	3.6	-3.7	-10.7	3.6
TOTAL		**CORPORAT**	**32,156,000**	**4.098**	**1/17/30**		**2/19/29**				**99.56**	**4.45**	**96.21**	**(1,075,529)**	**-3.4%**	**3.2**	**2.8**	**-2.8**	**-8.1**	**2.8**

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
05612LLE0	AFS	BMWG 4.25 12/18/28	250,000	4.250	12/18/28		100.00	4.25	99.52	(1,204)	-0.5%	2.2	2.1	-2.1	-6.0	2.1
09582YAV4	AFS	BRBS 4.2 12/28/27	240,000	4.200	12/28/27		100.40	3.87	99.87	(1,266)	-0.5%	1.3	1.2	-1.2	-3.5	1.2
17290G5W3	AFS	C 4.5 06/30/29 CD	250,000	4.500	6/30/29		100.00	4.50	98.51	(3,738)	-1.5%	2.8	2.6	-2.5	-7.3	2.6
178180HL2	AFS	RY 3.85 02/14/28	250,000	3.850	2/14/28		100.00	3.86	99.33	(1,674)	-0.7%	1.4	1.3	-1.3	-3.9	1.3
33622PAP8	AFS	OLMST 3.9 02/20/29	250,000	3.900	2/20/29	11/20/26	100.00	3.94	97.85	(5,382)	-2.2%	2.4	1.7	-2.0	-6.2	1.9
38151GBA8	AFS	GOLDMAN SACHS BANK USA	2,000,000	5.000	8/13/29	5/15/28	100.00	5.00	98.90	(21,980)	-1.1%	2.9	2.1	-2.3	-7.1	2.2
46659CSR2	AFS	JPM 4 01/14/31	250,000	4.000	1/14/31	1/14/27	100.00	3.96	95.79	(10,537)	-4.2%	4.3	3.0	-3.4	-10.4	3.2
53229WAE3	AFS	LGHOF 4.4 06/18/29	250,000	4.400	6/18/29	12/8/26	100.00	4.44	98.74	(3,156)	-1.3%	2.7	1.3	-2.0	-6.5	1.7
61776N2D4	AFS	MS 3.8 03/12/29	250,000	3.800	3/12/29		100.00	3.80	98.39	(4,030)	-1.6%	2.5	2.3	-2.3	-6.7	2.3
61778EQC8	AFS	MS 3.95 02/25/30	250,000	3.950	2/25/30		100.00	3.96	97.91	(5,220)	-2.1%	3.4	3.2	-3.1	-8.9	3.2
65504UAM9	AFS	NOBLF 4.1 06/12/28	250,000	4.100	6/12/28		100.00	4.14	99.55	(1,119)	-0.4%	1.7	1.6	-1.6	-4.7	1.6
77357DAN8	AFS	ROCKN 4.25 12/30/27	250,000	4.250	12/30/27		100.00	4.29	99.97	(63)	0.0%	1.3	1.2	-1.2	-3.5	1.2
89235MPP0	AFS	TOYOM 4.65 06/13/29	245,000	4.650	6/13/29		100.00	4.65	100.32	775	0.3%	2.7	2.6	-2.5	-7.2	2.5
949764XV1	AFS	WFC 4.2 06/20/28	250,000	4.200	6/20/28		100.00	4.24	99.71	(730)	-0.3%	1.7	1.6	-1.6	-4.7	1.6
TOTAL		**CD**	**5,235,000**	**4.479**	**4/12/29**	**12/25/27**	**100.02**	**4.47**	**98.88**	**(59,320)**	**-1.1%**	**2.6**	**2.0**	**-2.2**	**-6.5**	**2.1**

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
PALM1CAMP	AFS	CAMP	Bullet	55,648,755	Fixed	3.870		10/31/26	100.00	3.84	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
PALM1LAIF	AFS	STATE OF CALIFORNIA LOCAL	Bullet	126,343,897		3.830		10/31/26	100.00	3.80	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
TOTAL		**OTHER**		**181,992,652**		**3.842**		**10/31/26**	**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	98.50	n.m.	n.m.	n.m.	n.m.	**n.m.**	n.m.	n.m.	n.m.	n.m.	1.6	1.2	0.8	0.4	-0.4	-0.8	-1.2	-1.6
3130AQRH8	FHLB 2 02/25/27	4,590,640	91.81	98.96	n.m.	n.m.	24.55	24.55	**24.55**	24.55	24.55	24.55	24.55	1.3	1.1	0.8	0.4	-0.4	-0.8	-1.2	-1.6
3130ARHJ3	FHLB 3.175 04/19/27	4,801,355	96.03	99.24	n.m.	n.m.	n.m.	10.76	**10.76**	10.76	10.76	10.76	10.76	0.9	0.9	0.8	0.5	-0.5	-1.1	-1.6	-2.1
3130B3XP3	FHLB 4.5 12/04/29	1,000,000	100.00	98.44	4.47	4.47	4.47	4.47	**4.50**	4.50	4.50	4.50	4.50	2.3	2.2	2.0	1.7	-2.8	-5.6	-8.3	-10.9
3130B4RC7	FHLB 4.5 07/27/29	3,000,000	100.00	98.51	4.49	4.49	4.49	4.49	**4.50**	4.50	4.50	4.50	4.50	4.7	3.9	3.0	1.8	-2.3	-4.8	-7.2	-9.6
3130B8BF8	FHLB 3.95 11/06/30	833,082	100.37	95.51	0.23	0.23	0.23	3.85	**3.85**	3.85	3.85	3.85	3.85	5.1	5.0	4.8	3.0	-3.3	-6.7	-10.0	-13.2
3130B9RD4	FHLB 4 09/10/29	2,000,000	100.00	96.98	4.02	4.02	4.02	4.00	**4.00**	4.00	4.00	4.00	4.00	3.9	3.6	3.4	2.2	-2.5	-5.0	-7.6	-10.0
3130B9WM8	FHLB 4 03/14/28	2,500,000	100.00	98.89	4.02	4.02	4.02	4.00	**4.00**	4.00	4.00	4.00	4.00	1.9	1.7	1.5	1.1	-1.3	-2.7	-4.0	-5.3
3130BA4X2	FHLB 4.75 04/14/31	1,520,000	100.00	97.92	4.70	4.70	4.70	4.75	**4.75**	4.75	4.75	4.75	4.75	2.3	2.3	2.2	2.1	-3.0	-6.4	-9.9	-13.2
3130BAGD3	FHLB 4.2 04/23/31	2,000,000	100.00	96.20	4.20	4.20	4.20	4.20	**4.20**	4.20	4.20	4.20	4.20	6.1	5.5	4.8	3.0	-3.5	-7.2	-10.8	-14.2
3130BAW52	FHLB 4.32 12/15/28	1,890,000	100.00	98.47	4.29	4.29	4.29	4.32	**4.32**	4.32	4.32	4.32	4.32	2.4	2.2	2.0	1.5	-1.9	-3.8	-5.8	-7.7
3130BB6W0	FHLB 4.35 12/21/28	2,000,000	100.00	98.52	4.33	4.33	4.33	4.35	**4.35**	4.35	4.35	4.35	4.35	2.5	2.2	2.0	1.5	-1.9	-3.8	-5.8	-7.7
3130BBAN5	FHLB 4.5 06/15/29	2,000,000	100.00	98.34	4.49	4.49	4.49	4.50	**4.50**	4.50	4.50	4.50	4.50	4.5	3.7	2.9	1.8	-2.2	-4.5	-6.8	-9.0
3130BBN76	FHLB 4.75 01/29/30	1,000,000	100.00	98.48	4.73	4.73	4.73	4.75	**4.75**	4.75	4.75	4.75	4.75	3.0	2.7	2.3	1.7	-2.4	-5.1	-7.8	-10.5
3130BBP41	FHLB 5.08 08/11/31	1,000,000	100.00	98.57	5.06	5.06	5.06	5.06	**5.08**	5.08	5.08	5.08	5.08	3.2	2.8	2.5	1.8	-2.9	-6.3	-9.9	-13.4
3130BCAL7	FHLB 5 09/28/29	2,000,000	100.00	99.51	5.00	5.00	5.00	5.00	**5.00**	5.00	5.00	5.00	5.00	4.9	3.9	2.9	1.6	-2.1	-4.4	-6.9	-9.3
3133ENJC5	FFCB 1.29 12/22/26	5,000,000	100.00	99.27	1.29	1.29	1.29	1.29	**1.29**	1.29	1.29	1.29	1.29	0.7	0.7	0.5	0.2	-0.2	-0.5	-0.7	-0.9
3133ERE23	FFCB 4.32 12/02/27	1,000,000	100.00	99.54	4.29	4.29	4.29	4.29	**4.32**	4.32	4.32	4.32	4.32	1.2	1.0	0.8	0.6	-1.0	-2.1	-3.2	-4.3
3133ET5K9	FFCB 4.07 06/26/30	2,998,500	99.95	96.42	8.66	8.66	8.66	4.09	**4.08**	4.08	4.08	4.08	4.08	3.8	3.8	3.7	2.6	-3.0	-6.1	-9.2	-12.1
3133ETXV4	FFCB 3.83 09/15/28	1,402,404	100.17	97.85	-11.26	-11.26	-11.26	3.74	**3.74**	3.74	3.74	3.74	3.74	2.3	2.2	2.2	1.6	-1.8	-3.5	-5.3	-7.0
3133EWFX3	FFCB 3.7 03/05/29	1,997,000	99.85	96.88	4.05	4.05	3.83	3.76	**3.76**	3.76	3.76	3.76	3.76	4.7	4.2	3.5	2.0	-2.2	-4.3	-6.5	-8.5
3133EWMX5	FFCB 4.03 04/30/29	2,000,000	100.00	97.39	4.03	4.03	4.03	4.03	**4.03**	4.03	4.03	4.03	4.03	4.7	4.1	3.4	2.0	-2.2	-4.5	-6.7	-8.9
3133EWPC8	FFCB 4.3 11/12/30	2,000,000	100.00	96.63	4.30	4.30	4.30	4.30	**4.30**	4.30	4.30	4.30	4.30	9.0	7.3	5.3	2.9	-3.2	-6.5	-9.8	-13.0
3133EWTU4	FFCB 4.16 06/22/28	995,000	99.50	98.77	4.86	4.86	4.86	4.46	**4.46**	4.46	4.46	4.46	4.46	3.9	3.2	2.4	1.3	-1.5	-3.1	-4.7	-6.2
3134GW4C7	FHLMC 0.8 10/27/26	4,539,500	90.79	99.69	n.m.	n.m.	n.m.	n.m.	**n.m.**	n.m.	n.m.	n.m.	n.m.	0.3	0.2	0.2	0.1	-0.1	-0.1	-0.2	-0.3
3134HADY6	FHLMC 4 08/14/29	3,946,000	98.65	97.06	15.61	15.61	15.61	4.50	**4.50**	4.50	4.50	4.50	4.50	3.5	3.4	3.2	2.2	-2.5	-4.9	-7.4	-9.8
3134HCE96	FHLMC 4.21 02/26/29	1,500,000	100.00	98.02	4.21	4.21	4.21	4.21	**4.21**	4.21	4.21	4.21	4.21	3.9	3.4	2.8	1.7	-2.0	-4.2	-6.2	-8.3
3134HCV48	FHLMC 4.25 05/25/29	2,000,000	100.00	97.83	4.24	4.24	4.24	4.25	**4.25**	4.25	4.25	4.25	4.25	4.6	3.9	3.2	1.9	-2.2	-4.5	-6.8	-9.0
3134HCXZ7	FHLMC 3.7 03/10/31	1,988,000	99.40	94.47	5.08	5.08	5.08	3.85	**3.85**	3.85	3.85	3.85	3.85	7.4	6.9	6.0	3.5	-3.7	-7.4	-10.9	-14.4
3135G05Y5	FNMA 0.75 10/08/27	1,897,626	94.88	96.15	5.99	5.99	5.99	5.99	**5.99**	5.99	5.99	5.99	5.99	4.1	3.1	2.0	1.0	-1.0	-2.0	-2.9	-3.9
3136GAGW3	FNMA 4.1 08/10/28	5,000,000	100.00	98.56	4.10	4.10	4.10	4.10	**4.10**	4.10	4.10	4.10	4.10	7.4	5.5	3.6	1.8	-1.8	-3.5	-5.1	-6.8
3136GCCY9	FNMA 4 01/06/31	4,000,000	100.00	95.71	3.98	3.98	3.98	4.00	**4.00**	4.00	4.00	4.00	4.00	5.5	5.2	4.9	3.1	-3.4	-6.9	-10.4	-13.7
912828YX2	USTN 1.75 12/31/26	4,696,880	93.94	99.37	n.m.	n.m.	n.m.	n.m.	**n.m.**	n.m.	n.m.	n.m.	n.m.	1.0	0.8	0.5	0.3	-0.3	-0.5	-0.7	-1.0
91282CEV9	USTN 3.25 06/30/29	985,313	98.53	95.62	3.82	3.82	3.82	3.82	**3.82**	3.82	3.82	3.82	3.82	11.0	8.1	5.3	2.6	-2.5	-5.0	-7.4	-9.7
91282CEW7	USTN 3.25 06/30/27	4,897,630	97.95	99.08	6.08	6.08	6.08	6.08	**6.08**	6.08	6.08	6.08	6.08	3.0	2.2	1.5	0.7	-0.7	-1.4	-2.2	-2.9
91282CFL0	USTN 3.875 09/30/29	4,977,095	99.54	96.95	4.04	4.04	4.04	4.04	**4.04**	4.04	4.04	4.04	4.04	12.0	8.8	5.8	2.8	-2.7	-5.4	-8.0	-10.5
91282CFM8	USTN 4.125 09/30/27	2,523,773	100.95	99.53	3.15	3.15	3.15	3.15	**3.15**	3.15	3.15	3.15	3.15	4.0	3.0	2.0	1.0	-1.0	-1.9	-2.8	-3.8
91282CFT3	USTN 4 10/31/29	4,988,320	99.77	97.21	4.08	4.08	4.08	4.08	**4.08**	4.08	4.08	4.08	4.08	12.3	9.0	5.9	2.9	-2.8	-5.5	-8.2	-10.7
91282CFY2	USTN 3.875 11/30/29	4,942,085	98.84	96.76	4.27	4.27	4.27	4.27	**4.27**	4.27	4.27	4.27	4.27	12.6	9.3	6.1	3.0	-2.9	-5.7	-8.4	-11.0
91282CFZ9	USTN 3.875 11/30/27	2,988,750	99.63	99.07	4.20	4.20	4.20	4.20	**4.20**	4.20	4.20	4.20	4.20	4.7	3.5	2.3	1.1	-1.1	-2.2	-3.3	-4.4
91282CGB1	USTN 3.875 12/31/29	2,949,834	98.33	96.70	4.43	4.43	4.43	4.43	**4.43**	4.43	4.43	4.43	4.43	13.0	9.5	6.2	3.1	-3.0	-5.8	-8.6	-11.2
91282CGH8	USTN 3.5 01/31/28	1,984,376	99.22	98.38	4.11	4.11	4.11	4.11	**4.11**	4.11	4.11	4.11	4.11	5.3	4.0	2.6	1.3	-1.3	-2.5	-3.8	-5.0
91282CGQ8	USTN 4 02/28/30	1,008,750	100.88	96.94	3.72	3.72	3.72	3.72	**3.72**	3.72	3.72	3.72	3.72	13.6	10.0	6.5	3.2	-3.1	-6.1	-8.9	-11.7
91282CJA0	USTN 4.625 09/30/28	1,000,938	100.09	99.48	4.58	4.58	4.58	4.58	**4.58**	4.58	4.58	4.58	4.58	7.9	5.9	3.9	1.9	-1.9	-3.7	-5.5	-7.2
91282CJQ5	USTN 3.75 12/31/30	995,938	99.59	95.23	3.85	3.85	3.85	3.85	**3.85**	3.85	3.85	3.85	3.85	17.0	12.4	8.1	4.0	-3.8	-7.4	-10.8	-14.1

* n.m.: Yield not meaningful

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
91282CMF5	USTN 4.25 01/15/28	2,982,189	99.41	99.37	4.72	4.72	4.72	4.72	**4.72**	4.72	4.72	4.72	4.72	5.2	3.8	2.5	1.3	-1.2	-2.4	-3.6	-4.8
91282CMN8	USTN 4.25 02/15/28	996,875	99.69	99.31	4.48	4.48	4.48	4.48	**4.48**	4.48	4.48	4.48	4.48	5.5	4.1	2.7	1.3	-1.3	-2.6	-3.9	-5.1
91282CMN8	USTN 4.25 02/15/28	999,063	99.91	99.31	4.32	4.32	4.32	4.32	**4.32**	4.32	4.32	4.32	4.32	5.5	4.1	2.7	1.3	-1.3	-2.6	-3.9	-5.1
91282CMW8	USTN 3.75 04/15/28	2,001,876	100.09	98.42	3.68	3.68	3.68	3.68	**3.68**	3.68	3.68	3.68	3.68	6.2	4.6	3.0	1.5	-1.5	-2.9	-4.3	-5.7
91282CND9	USTN 3.75 05/15/28	1,993,750	99.69	98.31	3.95	3.95	3.95	3.95	**3.95**	3.95	3.95	3.95	3.95	6.5	4.8	3.2	1.6	-1.5	-3.0	-4.5	-6.0
91282CNV9	UST 3.625 08/31/27	994,063	99.41	99.14	4.29	4.29	4.29	4.29	**4.29**	4.29	4.29	4.29	4.29	3.7	2.7	1.8	0.9	-0.9	-1.8	-2.6	-3.5
91282CPA3	USTN 3.625 09/30/30	3,015,471	100.52	95.06	3.49	3.49	3.49	3.49	**3.49**	3.49	3.49	3.49	3.49	16.0	11.7	7.6	3.7	-3.6	-7.0	-10.3	-13.5
91282CPC9	USTN 3.5 10/15/28	1,980,312	99.02	97.30	4.01	4.01	4.01	4.01	**4.01**	4.01	4.01	4.01	4.01	8.2	6.0	4.0	2.0	-1.9	-3.8	-5.6	-7.4
91282CPK1	USTN 3.5 11/15/28	1,997,812	99.89	97.17	3.55	3.55	3.55	3.55	**3.55**	3.55	3.55	3.55	3.55	8.5	6.3	4.1	2.0	-2.0	-3.9	-5.8	-7.7
91282CRB9	USTN 4.25 07/31/28	994,375	99.44	98.92	4.57	4.57	4.57	4.57	**4.57**	4.57	4.57	4.57	4.57	7.3	5.4	3.6	1.8	-1.7	-3.4	-5.1	-6.7
TOTAL	**TREASURY/AGENCY SECTOR**	**135,773,574**	**98.29**	**97.97**	**4.47**	**4.47**	**5.25**	**5.17**	**5.17**	**5.17**	**5.17**	**5.17**	**5.17**	**5.4**	**4.2**	**3.1**	**1.7**	**-1.8**	**-3.6**	**-5.4**	**-7.1**

* 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	94.92	3.95	3.95	3.95	3.95	**3.95**	3.95	3.95	3.95	3.95	17.1	12.5	8.2	4.0	-3.8	-7.5	-11.0	-14.4
023135CG9	AMZN 3.45 04/13/29	988,500	98.85	95.85	3.96	3.96	3.96	3.93	**3.93**	3.93	3.93	3.93	3.93	9.8	7.3	4.8	2.4	-2.3	-4.6	-6.8	-9.0
023135CT1	AMZN 4.1 11/20/30	1,510,500	100.70	95.18	3.91	3.91	3.91	3.91	**3.91**	3.91	3.91	3.91	3.91	16.2	11.9	7.8	3.8	-3.6	-7.1	-10.5	-13.7
023135DD5	AMZN 4.25 03/13/31	1,495,155	99.68	95.14	4.33	4.33	4.33	4.33	**4.33**	4.33	4.33	4.33	4.33	17.3	12.7	8.3	4.1	-3.9	-7.6	-11.1	-14.5
06055JQF9	BAC 4.05 02/23/29	2,000,000	100.00	96.97	4.08	4.08	4.08	4.08	**4.08**	4.08	4.08	4.08	4.08	4.4	4.0	3.4	2.0	-2.1	-4.2	-6.3	-8.3
06406RBK2	BNY 4.596 07/26/30	1,021,953	102.20	97.94	3.77	3.77	3.77	3.77	**3.77**	3.77	3.77	3.77	3.77	11.1	8.2	5.4	2.7	-2.6	-5.1	-7.5	-9.8
06406RBN6	BNY 4.543 02/01/29	663,116	101.08	99.15	3.70	3.70	3.70	3.70	**3.70**	3.70	3.70	3.70	3.70	5.3	3.9	2.6	1.3	-1.3	-2.5	-3.7	-4.9
22550L2K6	UBSG 5 07/09/27	500,911	100.18	99.97	4.75	4.75	4.75	4.75	**4.75**	4.75	4.75	4.75	4.75	3.1	2.3	1.5	0.8	-0.7	-1.5	-2.2	-2.9
30303MAB8	META 4.2 11/15/30	1,510,500	100.70	95.19	4.01	4.01	4.01	4.01	**4.01**	4.01	4.01	4.01	4.01	16.1	11.8	7.7	3.8	-3.6	-7.1	-10.4	-13.6
38151GAJ0	GOLDMAN SACHS BK CD	2,000,000	100.00	94.36	4.10	4.10	4.10	4.10	**4.10**	4.10	4.10	4.10	4.10	17.6	12.9	8.4	4.1	-3.9	-7.6	-11.2	-14.6
46647PBD7	JPM 3.702 05/06/30	1,482,990	98.87	95.66	4.17	4.17	4.17	4.17	**4.17**	4.17	4.17	4.17	4.17	10.4	7.6	5.0	2.5	-2.4	-4.7	-7.0	-9.2
46660NBS1	JPM 4.875 05/12/31	2,000,000	100.00	96.50	4.87	4.87	4.87	4.87	**4.87**	4.87	4.87	4.87	4.87	6.0	5.4	4.6	2.9	-3.4	-7.0	-10.5	-14.0
57629TBX4	MMGFB 4.55 05/07/30	1,507,200	100.48	96.78	4.40	4.40	4.40	4.40	**4.40**	4.40	4.40	4.40	4.40	14.2	10.4	6.8	3.3	-3.2	-6.3	-9.3	-12.1
59217GEZ8	METLF 3.3 03/21/29	1,468,500	97.90	95.17	4.20	4.20	4.20	4.20	**4.20**	4.20	4.20	4.20	4.20	9.9	7.3	4.8	2.4	-2.3	-4.5	-6.7	-8.8
6174468G7	MS 4.431 01/23/30	1,007,000	100.70	97.77	4.11	4.11	4.11	4.11	**4.11**	4.11	4.11	4.11	4.11	9.2	6.8	4.5	2.2	-2.1	-4.2	-6.2	-8.2
64952WFP3	NYLIN 4.15 07/25/28	1,501,050	100.07	98.13	4.11	4.11	4.11	4.11	**4.11**	4.11	4.11	4.11	4.11	7.2	5.4	3.5	1.7	-1.7	-3.4	-5.0	-6.6
67066GAQ7	NVDA 4.35 06/15/29	2,990,700	99.69	97.71	4.48	4.48	4.48	4.47	**4.47**	4.47	4.47	4.47	4.47	10.5	7.8	5.1	2.5	-2.5	-4.9	-7.2	-9.5
718172CE7	PM 3.125 03/02/28	474,396	94.88	97.34	7.78	7.78	6.97	6.97	**6.97**	6.97	6.97	6.97	6.97	5.2	4.0	2.7	1.4	-1.4	-2.7	-4.0	-5.3
75973QAA5	RNR 3.45 07/01/27	475,471	95.09	98.98	13.88	13.88	13.88	10.38	**10.38**	10.38	10.38	10.38	10.38	2.5	1.9	1.4	0.7	-0.7	-1.4	-2.2	-2.9
797440CE2	SRE 4.95 08/15/28	509,341	101.87	99.72	3.86	3.86	3.86	3.86	**3.90**	3.90	3.90	3.90	3.90	7.2	5.3	3.5	1.8	-1.7	-3.4	-5.1	-6.7
808513BW4	SCHW 3.3 04/01/27	479,391	95.88	99.35	20.96	20.96	20.96	11.99	**11.99**	11.99	11.99	11.99	11.99	1.4	1.1	0.9	0.5	-0.5	-1.0	-1.5	-1.9
89236TMK8	TOYOM 4.55 08/09/29	510,588	102.12	97.96	3.76	3.76	3.76	3.76	**3.76**	3.76	3.76	3.76	3.76	11.3	8.3	5.5	2.7	-2.6	-5.1	-7.6	-9.9
89236TPH2	TOYOM 4.2 01/10/31	998,300	99.83	95.47	4.24	4.24	4.24	4.24	**4.24**	4.24	4.24	4.24	4.24	16.9	12.4	8.1	3.9	-3.8	-7.4	-10.8	-14.1
89236TPQ2	TOYOM 4.05 03/13/29	997,600	99.76	97.33	4.15	4.15	4.15	4.15	**4.15**	4.15	4.15	4.15	4.15	9.8	7.2	4.7	2.3	-2.3	-4.5	-6.6	-8.7
91324PDX7	UNH 2 05/15/30	914,212	91.42	88.84	4.60	4.60	4.60	4.60	**4.60**	4.60	4.60	4.60	4.60	14.8	10.9	7.1	3.5	-3.3	-6.6	-9.7	-12.6
95004HBB3	WFC 4.15 02/12/31	2,000,000	100.00	94.16	4.15	4.15	4.15	4.15	**4.15**	4.15	4.15	4.15	4.15	12.4	9.8	6.9	3.6	-3.7	-7.3	-10.7	-14.1
TOTAL	**CORPORATE SECTOR**	**32,013,372**	**99.56**	**96.21**	**4.65**	**4.65**	**4.64**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**	**4.45**	**11.0**	**8.3**	**5.6**	**2.8**	**-2.8**	**-5.5**	**-8.1**	**-10.6**

* 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
05612LLE0	BMWG 4.25 12/18/28	250,000	100.00	99.52	4.25	4.25	4.25	4.25	**4.25**	4.25	4.25	4.25	4.25	8.8	6.5	4.3	2.1	-2.1	-4.1	-6.0	-8.0
09582YAV4	BRBS 4.2 12/28/27	240,948	100.40	99.87	3.87	3.87	3.87	3.87	**3.87**	3.87	3.87	3.87	3.87	5.0	3.7	2.4	1.2	-1.2	-2.4	-3.5	-4.6
17290G5W3	C 4.5 06/30/29 CD	250,000	100.00	98.51	4.50	4.50	4.50	4.50	**4.50**	4.50	4.50	4.50	4.50	10.9	8.0	5.3	2.6	-2.5	-5.0	-7.3	-9.6
178180HL2	RY 3.85 02/14/28	250,000	100.00	99.33	3.86	3.86	3.86	3.86	**3.86**	3.86	3.86	3.86	3.86	5.5	4.1	2.7	1.3	-1.3	-2.6	-3.9	-5.1
33622PAP8	OLMST 3.9 02/20/29	250,000	100.00	97.85	3.94	3.94	3.94	3.94	**3.94**	3.94	3.94	3.94	3.94	2.7	2.6	2.5	1.7	-2.0	-4.1	-6.2	-8.2
38151GBA8	GOLDMAN SACHS BANK USA	2,000,000	100.00	98.90	5.00	5.00	5.00	5.00	**5.00**	5.00	5.00	5.00	5.00	7.4	5.7	4.0	2.1	-2.3	-4.7	-7.1	-9.4
46659CSR2	JPM 4 01/14/31	250,000	100.00	95.79	3.96	3.96	3.96	3.96	**3.96**	3.96	3.96	3.96	3.96	5.5	5.2	4.8	3.0	-3.4	-7.0	-10.4	-13.8
53229WAE3	LGHOF 4.4 06/18/29	250,000	100.00	98.74	4.44	4.44	4.44	4.44	**4.44**	4.44	4.44	4.44	4.44	2.1	2.0	1.8	1.3	-2.0	-4.2	-6.5	-8.7
61776N2D4	MS 3.8 03/12/29	250,000	100.00	98.39	3.80	3.80	3.80	3.80	**3.80**	3.80	3.80	3.80	3.80	9.8	7.2	4.8	2.3	-2.3	-4.5	-6.7	-8.7
61778EQC8	MS 3.95 02/25/30	250,000	100.00	97.91	3.96	3.96	3.96	3.96	**3.96**	3.96	3.96	3.96	3.96	13.6	10.0	6.5	3.2	-3.1	-6.1	-8.9	-11.7
65504UAM9	NOBLF 4.1 06/12/28	250,000	100.00	99.55	4.14	4.14	4.14	4.14	**4.14**	4.14	4.14	4.14	4.14	6.7	5.0	3.3	1.6	-1.6	-3.2	-4.7	-6.2
77357DAN8	ROCKN 4.25 12/30/27	250,000	100.00	99.97	4.29	4.29	4.29	4.29	**4.29**	4.29	4.29	4.29	4.29	4.9	3.7	2.4	1.2	-1.2	-2.4	-3.5	-4.6
89235MPP0	TOYOM 4.65 06/13/29	245,000	100.00	100.32	4.65	4.65	4.65	4.65	**4.65**	4.65	4.65	4.65	4.65	10.7	7.9	5.2	2.6	-2.5	-4.9	-7.2	-9.5
949764XV1	WFC 4.2 06/20/28	250,000	100.00	99.71	4.24	4.24	4.24	4.24	**4.24**	4.24	4.24	4.24	4.24	6.8	5.1	3.3	1.6	-1.6	-3.2	-4.7	-6.2
TOTAL	**CD SECTOR**	**5,235,948**	**100.02**	**98.88**	**4.47**	**4.47**	**4.47**	**4.47**	**4.47**	**4.47**	**4.47**	**4.47**	**4.47**	**7.3**	**5.6**	**3.9**	**2.0**	**-2.1**	**-4.3**	**-6.5**	**-8.6**

* 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
PALM1CAMP	CAMP	55,648,755	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
PALM1LAIF	STATE OF CALIFORNIA LOCAL AGENCY I	126,343,897	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
TOTAL	**OTHER SECTOR**	**181,992,652**	**100.00**	**100.00**	**3.81**	**3.81**	**3.81**	**3.81**	**3.81**	**3.81**	**3.81**	**3.81**	**3.81**	**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 Changes

New Securities 08/2026 - 10/2026

CUSIP	Sector	Description	Maturity	Coupon	Original Face	Book Price	Intent
3130BBP41	Treasury/Agency	FHLB 5.08 08/11/31	08/11/31	5.0800	1,000,000	100.0000	AFS
3130BCAL7	Treasury/Agency	FHLB 5 09/28/29	09/28/29	5.0000	2,000,000	100.0000	AFS
38151GBA8	CD	GOLDMAN SACHS BANK USA	08/13/29	5.0000	2,000,000	100.0000	AFS
91282CJA0	Treasury/Agency	USTN 4.625 09/30/28	09/30/28	4.6250	1,000,000	100.0938	AFS
91282CMF5	Treasury/Agency	USTN 4.25 01/15/28	01/15/28	4.2500	3,000,000	99.4063	AFS
91282CMN8	Treasury/Agency	USTN 4.25 02/15/28	02/15/28	4.2500	1,000,000	99.6875	AFS
91282CRB9	Treasury/Agency	USTN 4.25 07/31/28	07/31/28	4.2500	1,000,000	99.4375	AFS
PALM1CAMP	Other	CAMP	10/31/26	3.8700	55,648,755	100.0000	AFS

Securities Sold/Redeemed 08/2026 - 10/2026

CUSIP	Sector	Description	Maturity	Coupon	Original Face	Book Price	Intent	Redemption Type

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
357,523,652	0	357,523,652	0.00%	97	0	97	0.00%

Addendum

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	Applied	Notes
Date Requested	10/08/2026	The Performance Profile was requested on this date
Book Date	09/30/2026	The portfolio's book (holding) price is as of this date
As-Of Date	09/23/2026	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	10/08/2026	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.

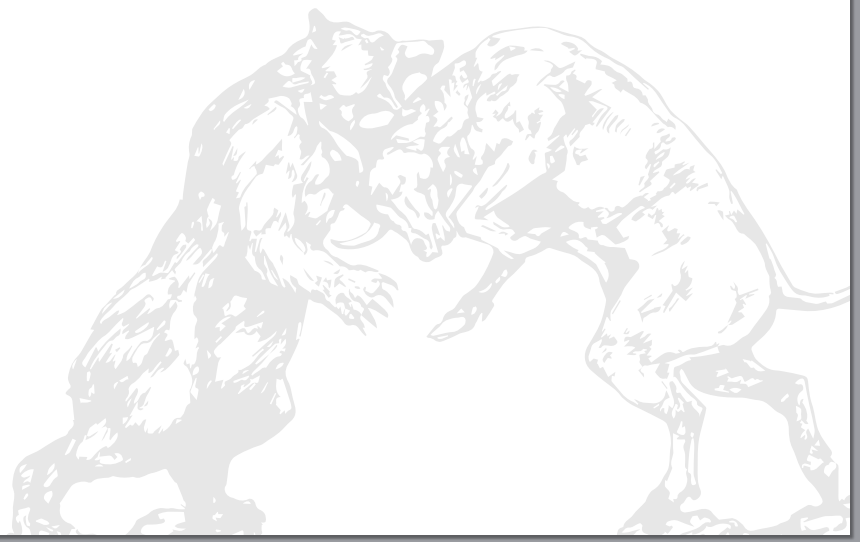
STIFEL

Performance Profile

City of Palmdale - Successor Agency

Palmdale, CA

September 2026



Stifel.com

Performance Profile

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Executive Summary

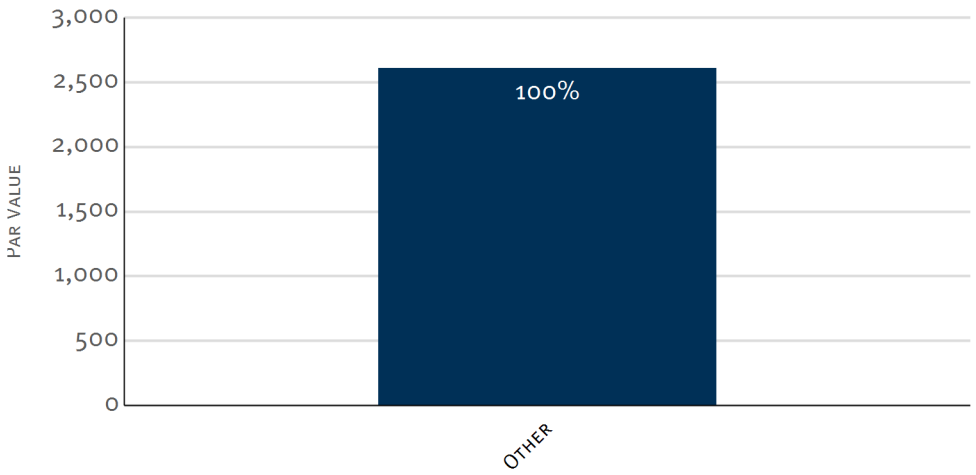
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Executive Summary

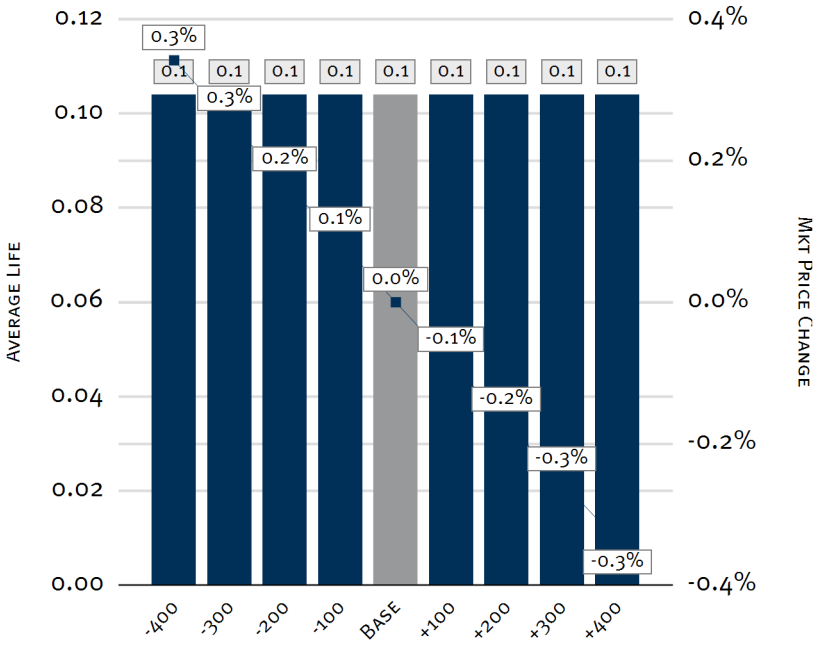
Portfolio Snapshot

Book Value	**2,606,929**
# Securities	1
Average Size (Book)	2,606,929
Yield @ Book Price	3.80
Internal Rate of Return	3.76
Yield @ Book Price +100bps	3.80
Yield @ Book Price -100bps	3.80
Market Yield	3.80
$ 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

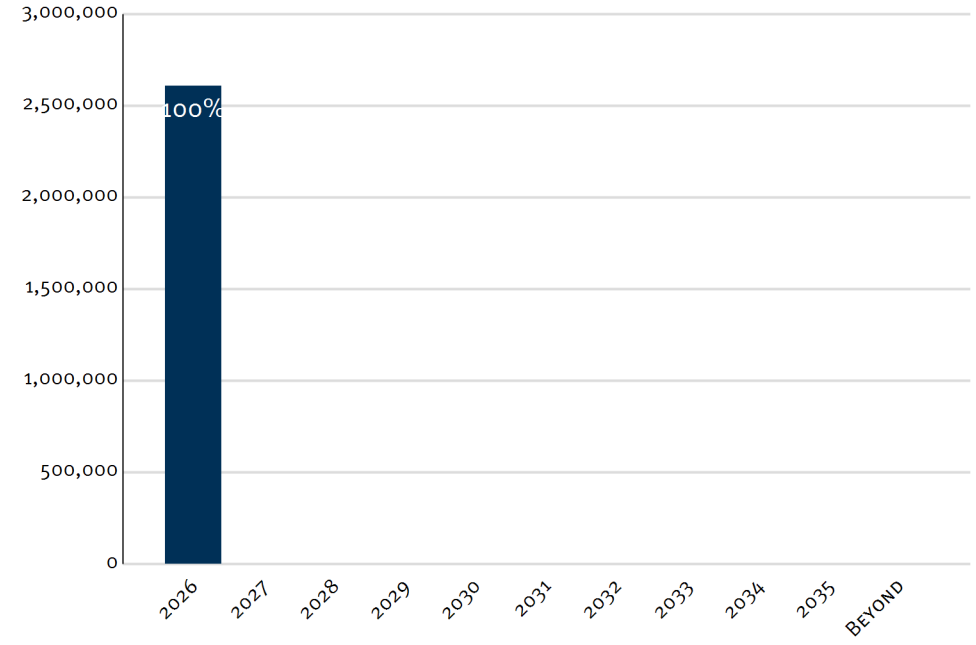
Sector Allocation



Average Life vs Price Sensitivity



Projected Principal Cash Flows



Executive Summary

Historical Portfolio Overview

	09/30/2026	05/31/2026	03/31/2026	
Book Value	2,606,929	4,067,226	4,027,756	
Yield @ Book Price	3.80	3.79	3.84	
Yield @ Book Price (+100)	3.80	3.79	3.84	
Yield @ Book Price (+300)	3.80	3.79	3.84	
Yield @ Book Price (-100)	3.80	3.79	3.84	
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)	-6,609	-10,424	-10,198	
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%	2,606,929	3.83	0.1	2,606,929	3.80	2,606,929	3.80	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Other (1)	100.0%	2,606,929	3.83	0.1	2,606,929	3.80	2,606,929	3.80	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%
Total (1)	100.0%	2,606,929	3.83	0.1	2,606,929	3.80	2,606,929	3.80	0.1	-0.1	-0.3	0	0.0%	0.1	0.1	0.0	100%

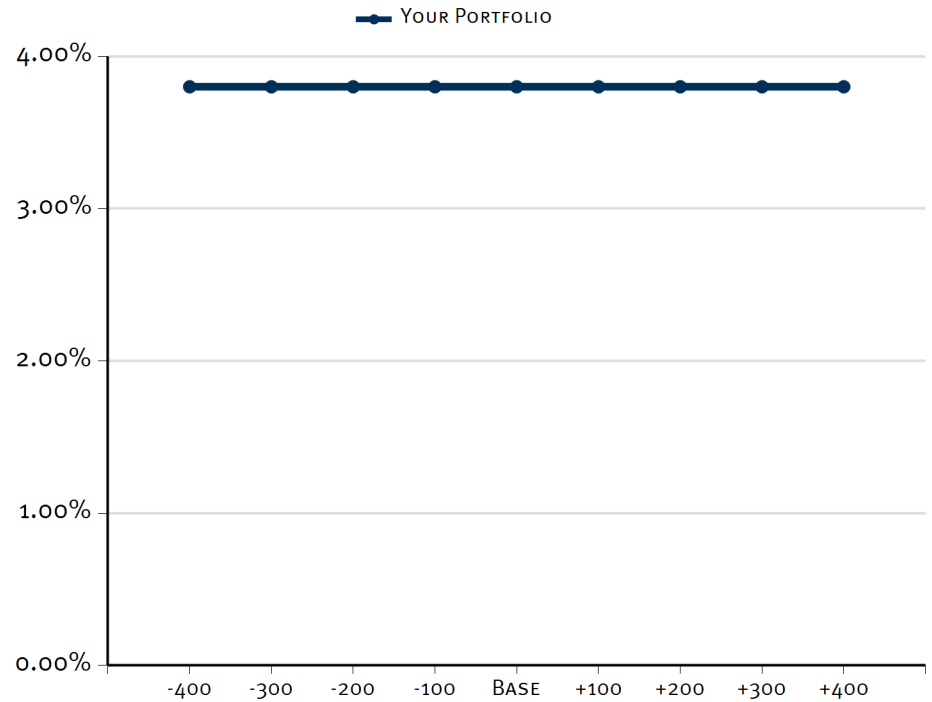
Executive Summary

Portfolio Analysis - Interest Rate Shock

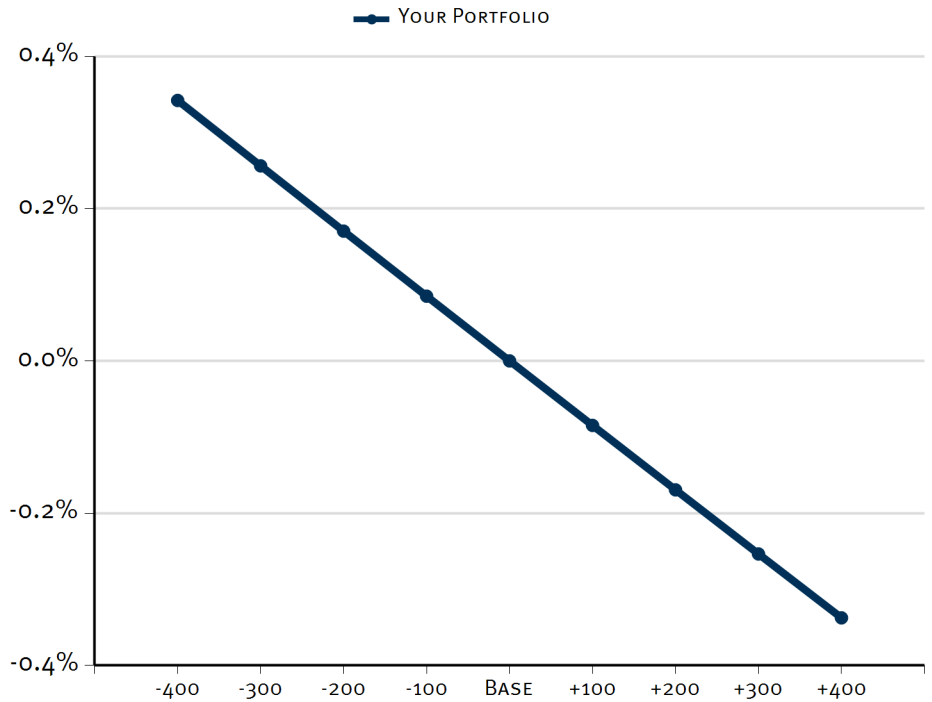
Total Portfolio

	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	1	1	1	1	**1**	1	1	1	1
Current Face	2,606,929	2,606,929	2,606,929	2,606,929	**2,606,929**	2,606,929	2,606,929	2,606,929	2,606,929
Book Value	2,606,929	2,606,929	2,606,929	2,606,929	**2,606,929**	2,606,929	2,606,929	2,606,929	2,606,929
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	3.80%	3.80%	3.80%	3.80%	**3.80%**	3.80%	3.80%	3.80%	3.80%
Market Value	2,615,845	2,613,605	2,611,371	2,609,145	**2,606,929**	2,604,721	2,602,515	2,600,320	2,598,133
Market Price	100.34	100.26	100.17	100.09	**100.00**	99.92	99.83	99.75	99.66
Market Yield	-0.27%	0.74%	1.76%	2.78%	**3.80%**	4.82%	5.85%	6.88%	7.91%
% Price Change	0.3%	0.3%	0.2%	0.1%	**0.0%**	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	8,916	6,676	4,442	2,216	**0**	-2,208	-4,414	-6,609	-8,796
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

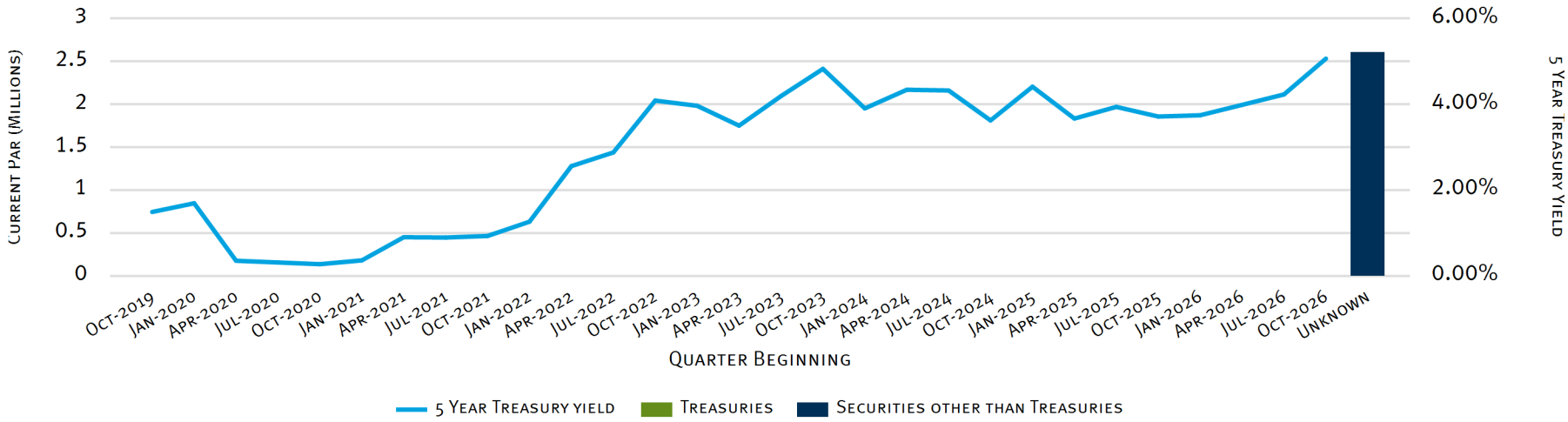


[1]Stifel Portfolio Median refers to the median portfolio value for other institutions analyzed by Stifel within the past three months.

Executive Summary

Market Timing Analysis

Historical Purchases vs 5 Year Treasury Yield



5 Year Treasury Average: 2.80% / Median 3.65%

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

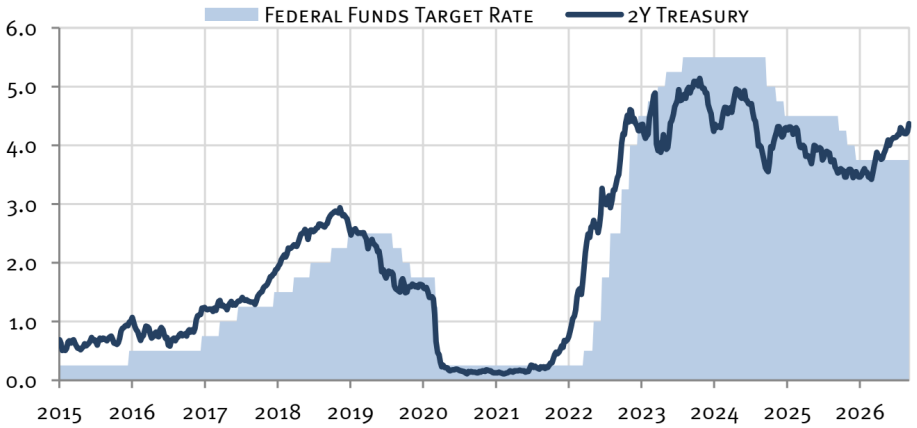
KEY MARKET RATES

Treasury Yields	8/31/2026	8/31/2025	YOY Δ
3M Treasury Bill	3.83	4.15	(0.31)
6M Treasury Bill	3.99	3.97	0.02
2Y Treasury Note	4.34	3.62	0.72
3Y Treasury Note	4.40	3.58	0.83
5Y Treasury Note	4.50	3.70	0.80
10Y Treasury Note	4.75	4.23	0.52
30Y Treasury Bond	5.24	4.93	0.31
10Y TIPS	2.43	1.82	0.61

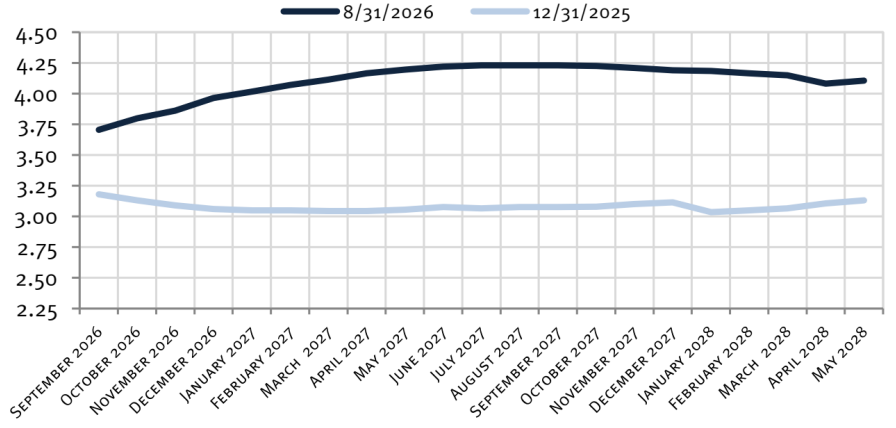
Other Key Interest Rates	8/31/2026	8/31/2025	YOY Δ
Fed Funds Target Rate	3.75	4.50	(0.75)
Fed Funds Effective Rate	3.63	4.33	(0.70)
Interest on Reserves	3.65	4.40	(0.75)
SOFR	3.68	4.34	(0.66)
SOFR 30-Day Average	3.65	4.35	(0.71)
Discount Rate	3.75	4.50	(0.75)
Prime	6.75	7.50	(0.75)
FHLMC 30Y Mortgage Rate	6.66	6.56	0.10

Stocks and Commodities	8/31/2026	8/31/2025	YOY Δ
Dollar Index	99.43	97.77	1.7%
CRB Commodity Index	565.32	554.89	1.9%
Brent Crude Oil	90.49	68.12	32.8%
Gold	4,437	3,448	28.7%
DJIA	53,186	45,545	16.8%
S&P 500	7,686	6,460	19.0%
Russell 2000	2,956	2,366	24.9%
NASDAQ	26,371	21,456	22.9%

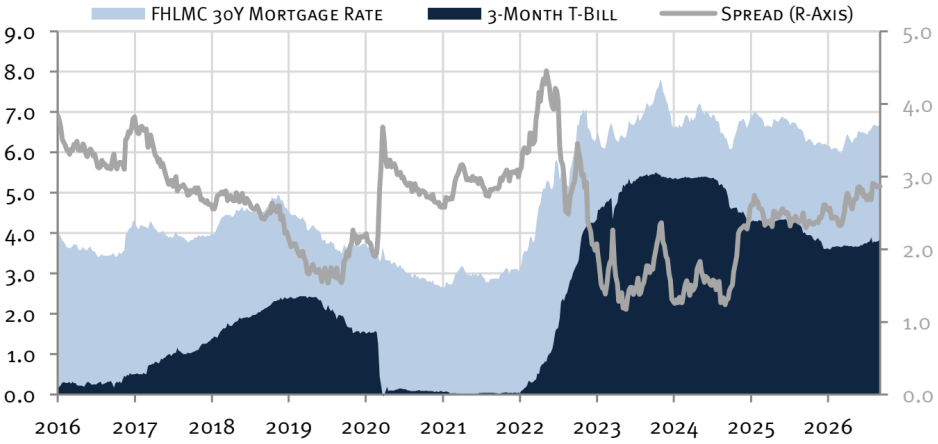
FEDERAL FUNDS TARGET RATE AND 2-YEAR TREASURY YIELD



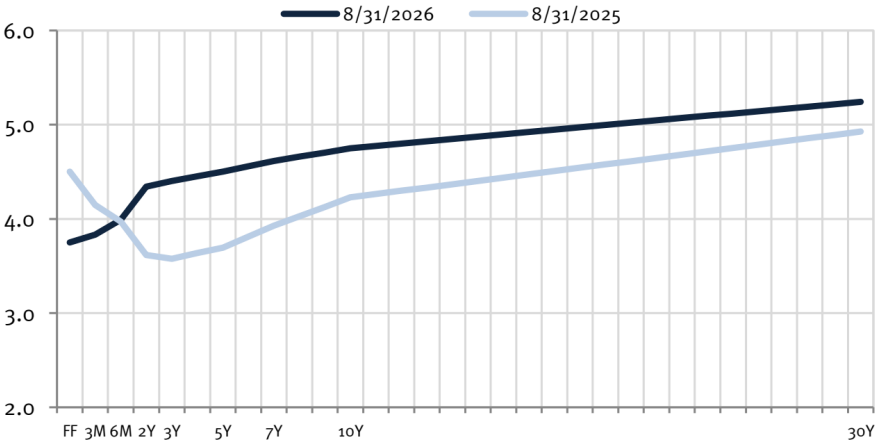
FED FUNDS FUTURES



FUNDING COSTS vs. FNMA 30Y MORTGAGE RATES



CURRENT TREASURY YIELD CURVE vs. ONE YEAR AGO



KEY ECONOMIC DATA

Gross Domestic Product (Chain-Weighted)	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23
GDP *(S Billions)*	**24,270**	24,180	24,056	24,027	23,771	23,548	23,587	23,479	23,287	23,082	23,034	22,841	22,581
GDP *(QoQ, SAAR)*	**1.5%**	2.1%	0.5%	4.4%	3.8%	-0.6%	1.9%	3.3%	3.6%	0.8%	3.4%	4.7%	2.5%
Personal Consumption ($ Billions)	**16,830**	16,688	16,665	16,586	16,446	16,346	16,321	16,166	16,010	15,858	15,790	15,672	15,554
Personal Consumption (QoQ, SAAR)	**3.4%**	0.5%	1.9%	3.5%	2.5%	0.6%	3.9%	4.0%	3.9%	1.7%	3.0%	3.1%	1.5%
Real Disposable Personal Income ($ Billions)	**18,004**	18,072	18,030	18,071	18,025	17,943	17,843	17,755	17,701	17,596	17,417	17,269	17,183
Real Disposable personal Income (QoQ, SAAR)	**-1.5%**	0.9%	-0.9%	1.0%	1.8%	2.3%	2.0%	1.2%	2.4%	4.2%	3.5%	2.0%	4.3%
Private Investment ($ Billions)	**4,523**	4,493	4,408	4,383	4,383	4,548	4,316	4,392	4,382	4,296	4,313	4,276	4,181
Private Investment (QoQ, SAAR)	**2.7%**	7.9%	2.3%	0.0%	-13.7%	23.3%	-6.8%	0.9%	8.2%	-1.6%	3.6%	9.4%	7.2%
Business Fixed Investment ($ Billions)	**4,551**	4,475	4,406	4,389	4,381	4,334	4,260	4,281	4,265	4,250	4,219	4,171	4,132
Business Fixed Investment (QoQ, SAAR)	**7.0%**	6.5%	1.5%	0.8%	4.4%	7.1%	-1.9%	1.5%	1.4%	3.0%	4.6%	3.8%	9.5%
Residential Fixed Investment ($ Billions)	**748**	746	761	764	779	789	791	783	792	796	781	778	757
Residential Fixed Investment (QoQ, SAAR)	**1.2%**	-7.8%	-1.7%	-7.1%	-5.1%	-1.0%	4.3%	-4.8%	-2.0%	8.2%	1.5%	11.5%	4.2%
Change in Business Inventories ($ Billions)	**(36)**	(1)	8	(6)	(190)	155	(52)	(6)	63	(49)	(6)	50	(26)
Government Spending ($ Billions)	**3,991**	4,000	3,957	4,015	3,993	3,994	4,004	3,971	3,919	3,887	3,865	3,821	3,774
Government Spending (QoQ, SAAR)	**-1.0%**	4.4%	-5.6%	2.2%	-0.1%	-1.0%	3.3%	5.4%	3.3%	2.3%	4.7%	5.2%	3.3%
Federal Government Spending ($ Billions)	**1,476**	1,492	1,459	1,527	1,517	1,537	1,560	1,543	1,512	1,496	1,493	1,480	1,456
Federal Government Spending ($ Billions)	**-4.2%**	9.4%	-16.7%	2.7%	-5.3%	-5.6%	4.4%	8.6%	4.3%	0.8%	3.4%	6.8%	-0.1%
State and Local Government Spending ($ Billions)	**2,513**	2,507	2,497	2,487	2,475	2,456	2,445	2,429	2,407	2,391	2,372	2,341	2,317
State and Local Government Spending (QoQ, SAAR)	**0.9%**	1.6%	1.5%	2.0%	3.1%	1.9%	2.7%	3.6%	2.8%	3.2%	5.4%	4.2%	5.4%
Net External Trade ($ Billions)	**(1,084)**	(1,002)	(969)	(956)	(1,058)	(1,381)	(1,069)	(1,065)	(1,032)	(964)	(934)	(926)	(928)
Net External Trade (QoQ, SAAR)	**-36.9%**	-14.4%	-5.6%	33.5%	65.5%	-178.3%	-1.5%	-13.3%	-31.4%	-13.5%	-3.5%	0.8%	-7.2%
Exports ($ Billions)	**2,788**	2,757	2,687	2,709	2,647	2,660	2,659	2,664	2,608	2,604	2,575	2,537	2,509
Exports (QoQ, SAAR)	**4.5%**	10.9%	-3.2%	9.6%	-1.8%	0.2%	-0.9%	8.9%	0.7%	4.6%	6.1%	4.4%	-5.3%
Imports ($ Billions)	**3,871**	3,759	3,655	3,664	3,705	4,040	3,727	3,729	3,640	3,568	3,509	3,463	3,437
Imports (QoQ, SAAR)	**12.5%**	11.8%	-1.0%	-4.4%	-29.3%	38.0%	-0.2%	10.1%	8.4%	6.9%	5.4%	3.0%	-2.1%

Labor	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Unemployment Rate	4.1%	4.1%	4.2%	4.3%	4.3%	4.3%	4.4%	4.3%	4.4%	4.5%		4.4%	4.3%
Monthly Change in Nonfarm Payrolls (000s)	162	21	31	63	148	214	-156	160	-17	41	-140	76	-70
Average Weekly Hours Worked Nonfarm	34.4	34.3	34.3	34.3	34.3	34.2	34.3	34.3	34.2	34.3	34.2	34.2	34.2
Average Hourly Earnings Nonfarm (YoY)	3.1%	3.2%	3.4%	3.3%	3.6%	3.4%	3.7%	3.7%	3.7%	3.9%	3.9%	3.8%	4.0%

Inflation	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Consumer Price Index (YoY)		3.4%	3.5%	4.2%	3.8%	3.3%	2.4%	2.4%	2.7%	2.7%		3.0%	2.9%
Core Consumer Price Index (YoY)		2.5%	2.6%	2.9%	2.8%	2.6%	2.5%	2.5%	2.6%	2.6%		3.0%	3.1%
Core Personal Consumption Expenditure (YoY)		3.3%	3.3%	3.5%	3.3%	3.3%	3.0%	3.1%	3.0%	2.8%	2.8%	2.8%	2.9%

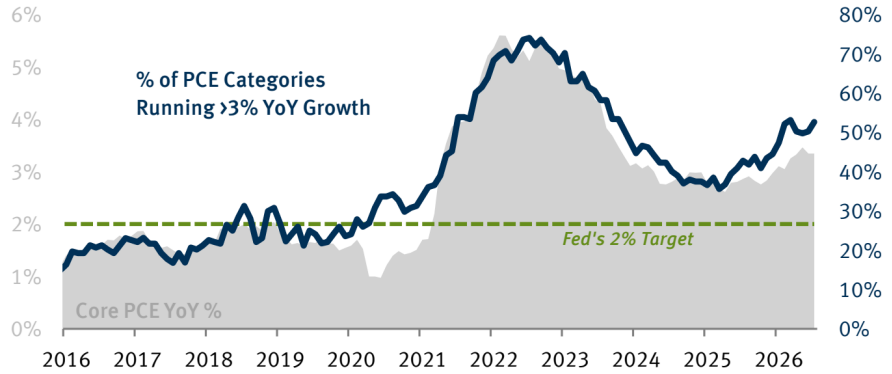
Housing	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
New Home Sales (000s, Annualized)		607	678	630	641	659	630	576	723	757	652	714	698
Existing Home Sales (Millions, Annualized)		4.06	4.13	4.19	4.04	4.01	4.13	4.02	4.27	4.09	4.11	4.08	4.03
Homebuilder Confidence Index	35	34	36	37	34	38	37	37	39	38	37	32	32
Housing Starts (000s, Annualized)		1239	1415	1182	1414	1522	1346	1385	1378	1319	1273	1319	1291
Building Permits (000s, Annualized)		1433	1374	1410	1423	1363	1540	1393	1482	1414	1418	1444	1347

Other	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25
Industrial Production (YoY Change in Output)		1.1%	1.3%	1.5%	1.4%	0.7%	0.8%	1.0%	1.2%	1.8%	1.8%	1.9%	1.2%
ISM Manufacturing Index	54.6	55.6	53.3	54.0	52.7	52.7	52.4	52.6	47.9	48.0	48.8	48.9	48.9
ISM Non-Manufacturing Index	55.4	54.1	54.0	54.5	53.6	54.0	56.1	53.8	53.8	52.4	52.0	50.3	51.9
ISM Economy-Weighted Composite index	55.3	54.2	53.9	54.5	53.5	53.9	55.7	53.7	53.2	52.0	51.7	50.2	51.6
Auto Sales (Millions, Annualized)	16.76	16.33	16.52	16.08	15.92	16.34	15.75	14.85	16.02	15.60	15.32	16.39	16.07
Consumer Confidence (U of M)	51.7	55.2	49.5	44.8	49.8	53.3	56.6	56.4	52.9	51.0	53.6	55.1	58.2

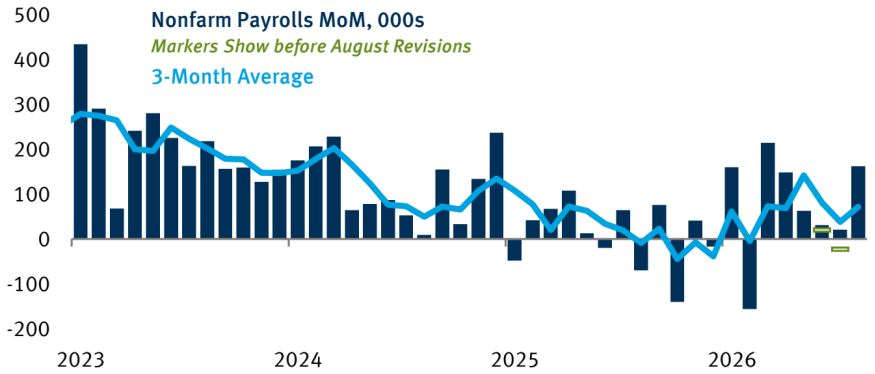
Executive Summary

Key Market Rates

Chair Warsh's Focus on Inflation in Jackson Hole Boosted September Hike Odds



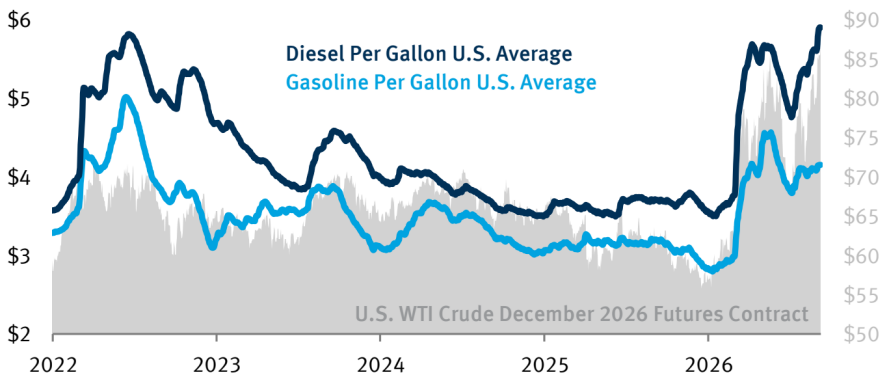
And a Surprisingly Strong Labor Update for August Offered Hawks Cover



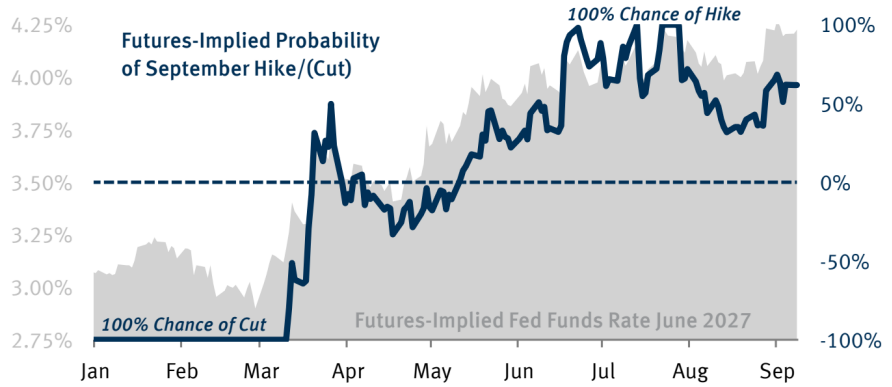
Particularly Considering Economic Activity Appears to Be Holding Up



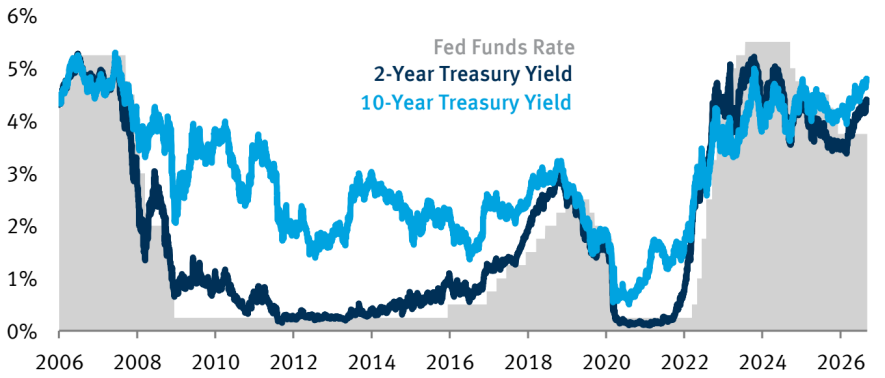
And Persistently High Energy Prices Pose Upside Inflation Risks



New Inflation Data, However, Will Likely Settle a Still-Open Debate



And Set the Pace for Interest Rates into the Final Months of the Year



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Institue for Supply Management, American Automobile Association, Bloomberg Finance L.P., Stifel

Data as of September 8, 2026

Sector Analysis

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Sector Analysis

Other Sector Portfolio

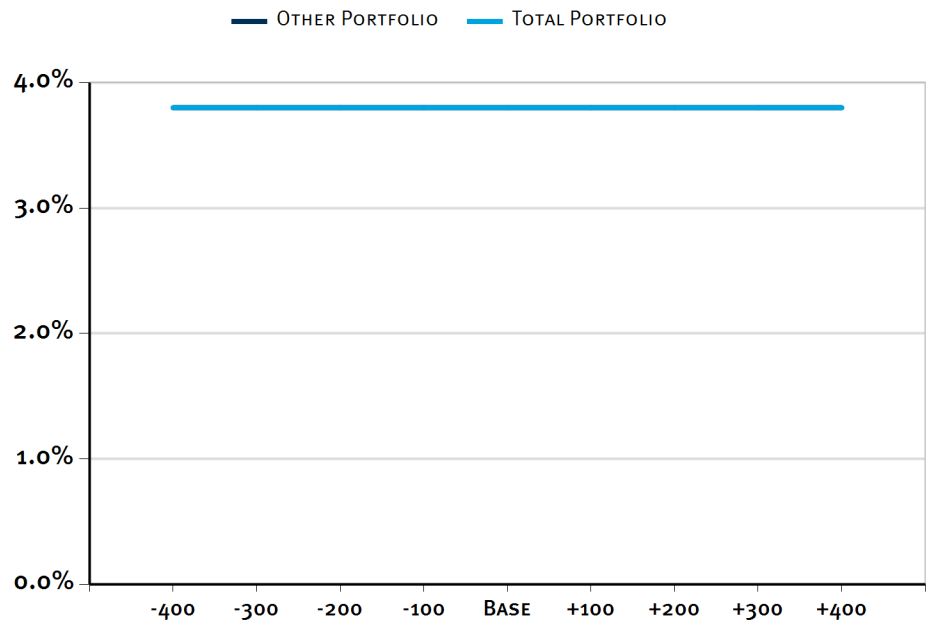
	-400	-300	-200	-100	Base	+100	+200	+300	+400
Number Bonds	1	1	1	1	1	1	1	1	1
Current Face	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929
Book Value	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929	2,606,929
Book Price	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Proj. Yld. At Book Px.	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%
Market Value	2,615,845	2,613,605	2,611,371	2,609,145	2,606,929	2,604,721	2,602,515	2,600,320	2,598,133
Market Price	100.34	100.26	100.17	100.09	100.00	99.92	99.83	99.75	99.66
Market Yield	-0.27%	0.74%	1.76%	2.78%	3.80%	4.82%	5.85%	6.88%	7.91%
% Price Change	0.3%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-0.3%	-0.3%
Book Gain/Loss	8,916	6,676	4,442	2,216	0	-2,208	-4,414	-6,609	-8,796
Gain/Loss %	0.34%	0.26%	0.17%	0.09%	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

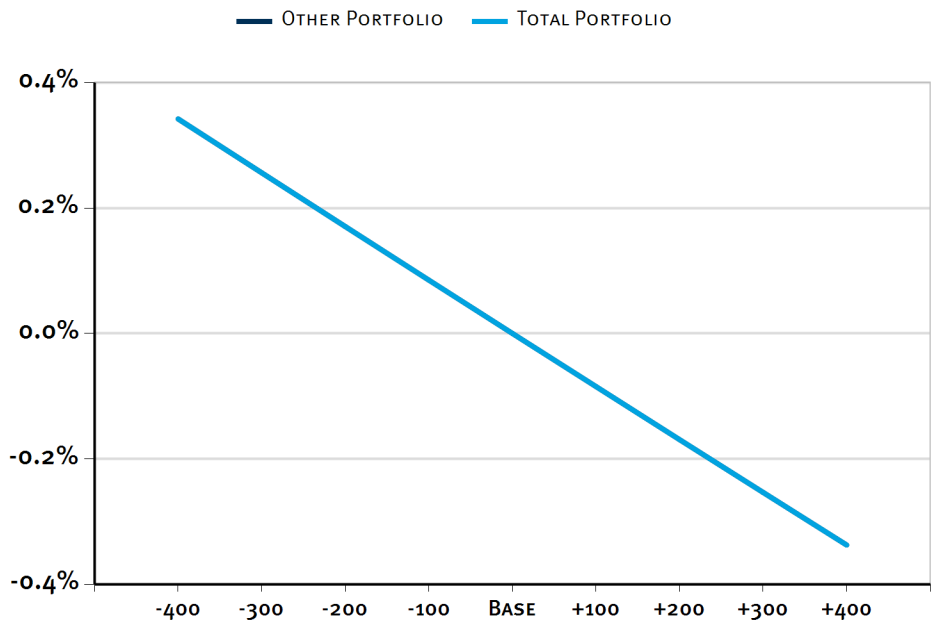
Allocation, Mkt Val	100.0%
Px Risk Contribution[1]	100.0%
Yield Contribution[2]	100.0%

[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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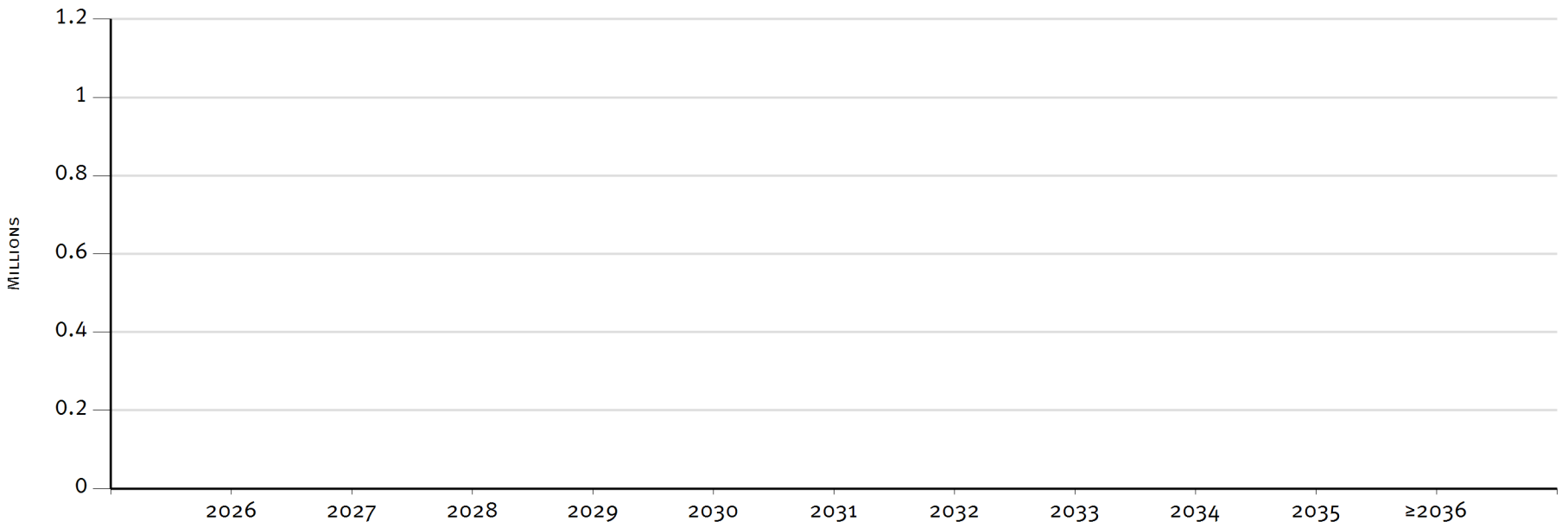
Cash Flow Analysis

Annual Base

Annual Cash Flows by Sector (Base)

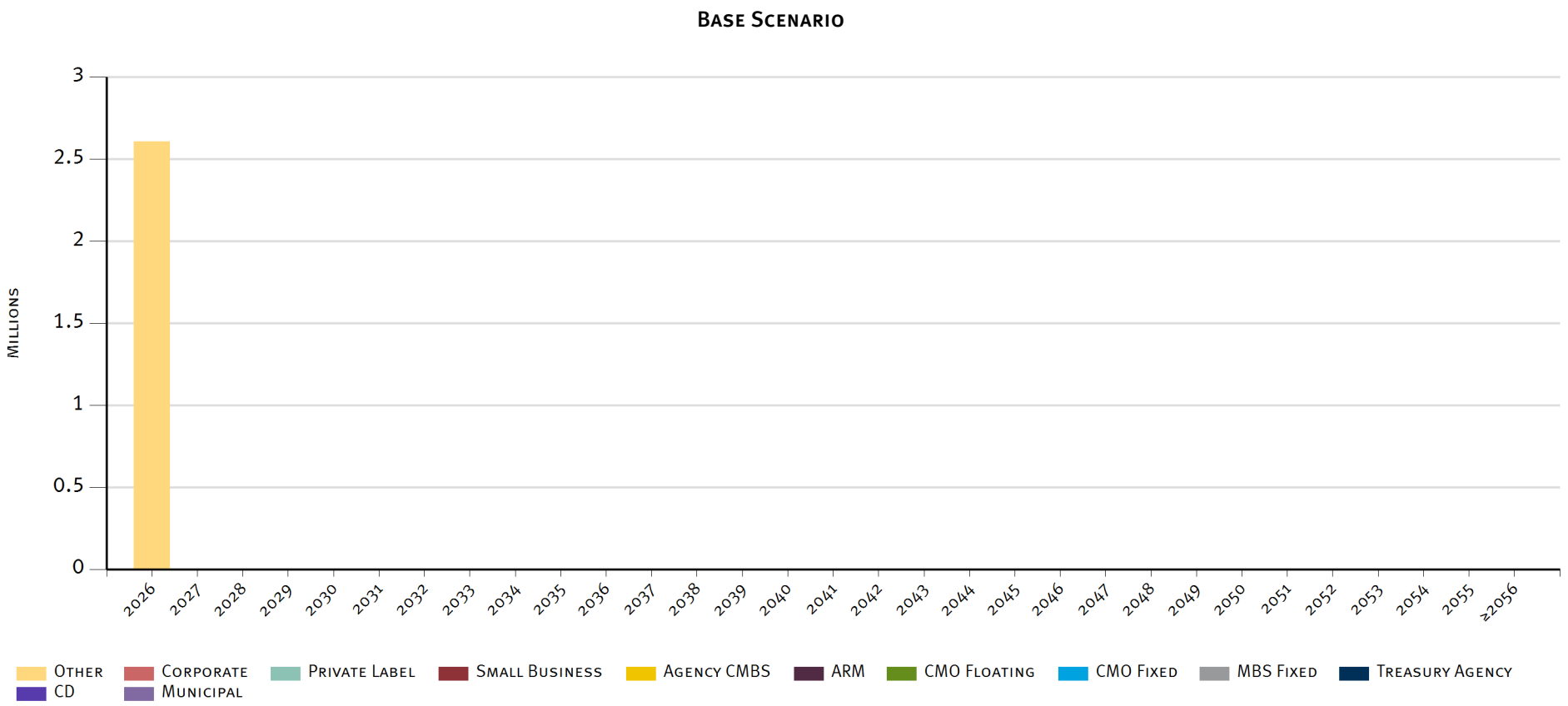
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥2036
Treasury/Agency	0	0	0	0	0	0	0	0	0	0	0
MBS Fixed	0	0	0	0	0	0	0	0	0	0	0
ARM	0	0	0	0	0	0	0	0	0	0	0
CMO Fixed	0	0	0	0	0	0	0	0	0	0	0
CMO Floating	0	0	0	0	0	0	0	0	0	0	0
Agency CMBS	0	0	0	0	0	0	0	0	0	0	0
Small Business	0	0	0	0	0	0	0	0	0	0	0
Private Label	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	2,606,929	0	0	0	0	0	0	0	0	0	0
Total	**2,606,929**	**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%

Annual Cash Flows by Sector (Base)



Cash Flow Analysis

Cash Flows By Sector - Next 30 Years



Cash Flow Analysis

Annual Shocked

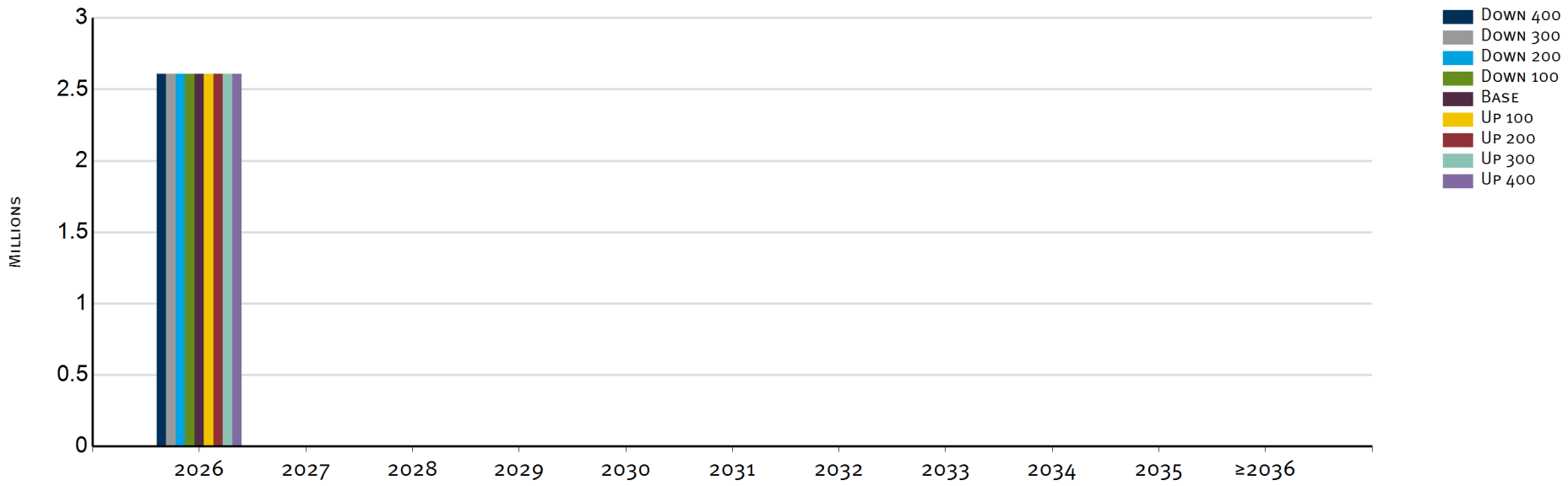
Shocked Annual Portfolio Cash Flows

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	≥ 2036
Down 400	2,606,929	0	0	0	0	0	0	0	0	0	0
Down 300	2,606,929	0	0	0	0	0	0	0	0	0	0
Down 200	2,606,929	0	0	0	0	0	0	0	0	0	0
Down 100	2,606,929	0	0	0	0	0	0	0	0	0	0
Base	**2,606,929**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Up 100	2,606,929	0	0	0	0	0	0	0	0	0	0
Up 200	2,606,929	0	0	0	0	0	0	0	0	0	0
Up 300	2,606,929	0	0	0	0	0	0	0	0	0	0
Up 400	2,606,929	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

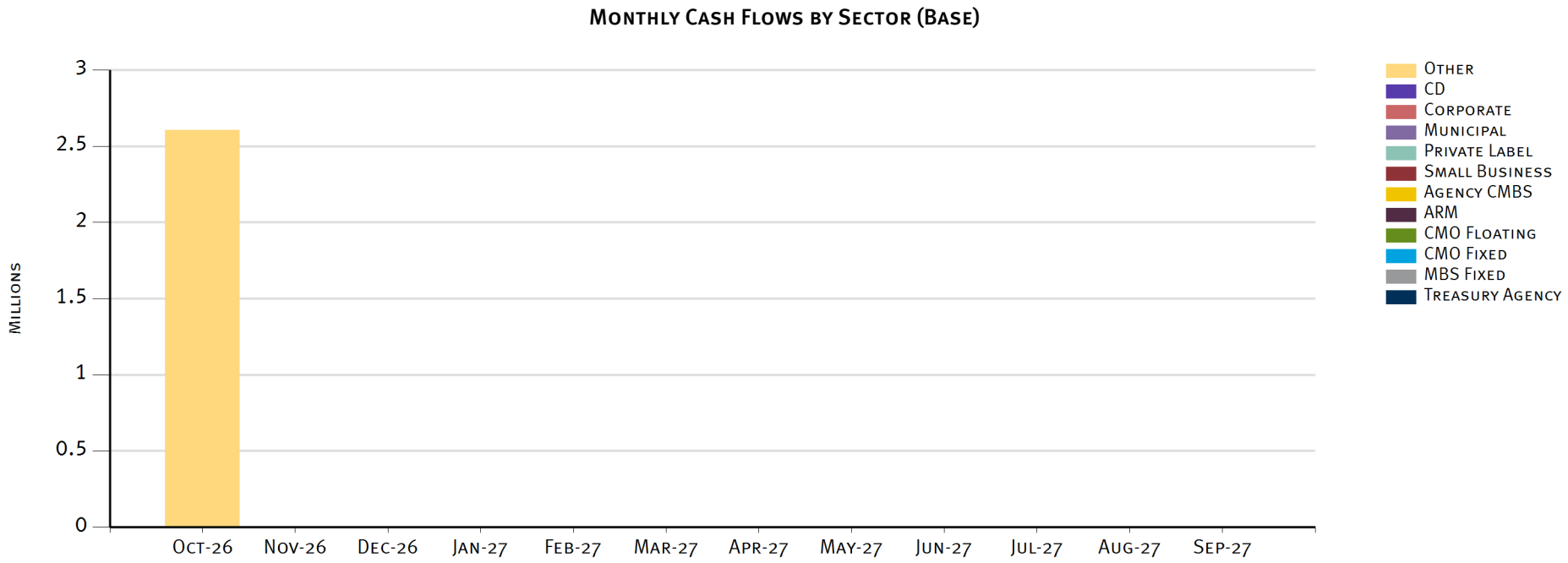


Cash Flow Analysis

Monthly Base

Monthly Cash Flows by Sector (Base)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-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	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929	100.0%
Total	**2,606,929**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2,606,929**	**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)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Total
Down 400	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Down 300	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Down 200	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Down 100	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Base	**2,606,929**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2,606,929**
Up 100	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Up 200	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Up 300	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929
Up 400	2,606,929	0	0	0	0	0	0	0	0	0	0	0	2,606,929

Change in Monthly Cash Flows from Base (Year 1)

	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-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)

	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-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)

	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-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 (4.33% Assumed Reinvestment Rate)[1]					Base Case (5.33% Assumed Reinvestment Rate)[1]					Up 100 (6.33% 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
Oct-26	2,606,929	100.0%	3.80	0.00	4.33	2,606,929	100.0%	3.80	0.00	5.33	2,606,929	100.0%	3.80	0.00	6.33
Nov-26	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Dec-26	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jan-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Feb-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Mar-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Apr-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
May-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jun-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jul-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Aug-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Sep-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Oct-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Nov-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Dec-27	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jan-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Feb-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Mar-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Apr-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
May-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jun-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jul-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Aug-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Sep-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Oct-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Nov-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Dec-28	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jan-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Feb-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Mar-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Apr-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
May-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jun-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Jul-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Aug-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33
Sep-29	0	100.0%	0.00	0.00	4.33	0	100.0%	0.00	0.00	5.33	0	100.0%	0.00	0.00	6.33

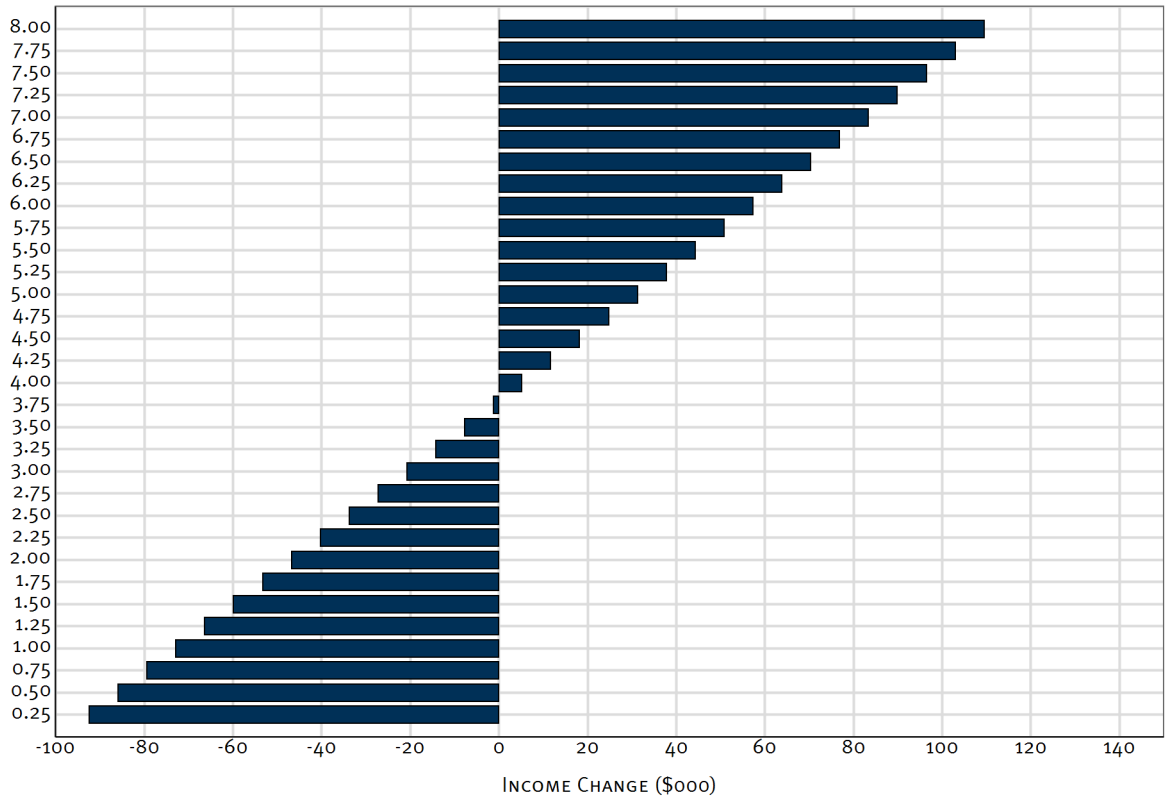
[1] Base reinvestment set at 5 Year Treasury rate +50 basis points

Cash Flow Analysis

Gap Analysis - Potential Income Impact of Principal Reinvestment

Principal Maturing (12 Mo Horizon)	2,607
Current Book Yield of Principal Maturing	3.80%
Estimated Annual Income at Current Book Yield	$99

Estimated Impact on Income at Various Reinvestment Yields



Assumed Reinvestment Yield	Estimated Annualized Income	Income Difference From Current Book	Resulting Book Yield
0.25	7	-93	0.25
0.50	13	-86	0.50
0.75	20	-80	0.75
1.00	26	-73	1.00
1.25	33	-66	1.25
1.50	39	-60	1.50
1.75	46	-53	1.75
2.00	52	-47	2.00
2.25	59	-40	2.25
2.50	65	-34	2.50
2.75	72	-27	2.75
3.00	78	-21	3.00
3.25	85	-14	3.25
3.50	91	-8	3.50
3.75	98	-1	3.75
4.00	104	5	4.00
4.25	111	12	4.25
4.50	117	18	4.50
4.75	124	25	4.75
5.00	130	31	5.00
5.25	137	38	5.25
5.50	143	44	5.50
5.75	150	51	5.75
6.00	156	57	6.00
6.25	163	64	6.25
6.50	169	70	6.50
6.75	176	77	6.75
7.00	182	83	7.00
7.25	189	90	7.25
7.50	196	96	7.50
7.75	202	103	7.75
8.00	209	110	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
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	0.1	AFS
			3.83		2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	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
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	0.1	AFS
			3.83		2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	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
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	0.1	AFS
			3.83		2,606,929	100.00	100.00		3.80	0.1	-0.3	-6,609	-6,609	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
PALM1LAIF	Cash & Other	STATE OF CALIFORNIA LOCAL	3.83	10/31/26	2,606,929	100.00	100.00		3.80	-0.3	0.1	0.1	0.1	0.0	AFS
			3.83		2,606,929	100.00	100.00		3.80	-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
PALM1LAIF	AFS	STATE OF CALIFORNIA LOCAL	Bullet	2,606,929		3.830		10/31/26	100.00	3.80	100.00	0	0.0%	0.1	0.1	-0.1	-0.3	0.1
TOTAL		**OTHER**		**2,606,929**		**3.830**		**10/31/26**	**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
PALM1LAIF	STATE OF CALIFORNIA LOCAL AGENCY I	2,606,929	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
TOTAL	**OTHER SECTOR**	**2,606,929**	**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**

* n.m.: Yield not meaningful

Addendum

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Addendum

Portfolio Changes

New Securities 06/2026 - 10/2026

CUSIP	Sector	Description	Maturity	Coupon	Original Face	Book Price	Intent

Securities Sold/Redeemed 06/2026 - 10/2026

CUSIP	Sector	Description	Maturity	Coupon	Original Face	Book Price	Intent	Redemption Type

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
2,606,929	0	2,606,929	0.00%	1	0	1	0.00%

Addendum

Disclaimer and Notes

The information contained herein has been prepared from sources believed reliable but is not guaranteed by Stifel and is not a complete summary or statement of all available data, nor is it to be construed as an offer to buy or sell any securities referred to herein. The accuracy of the financial projections is dependent on the occurrence of future events which cannot be assured; therefore, the actual results may vary from the projections and future results are not guaranteed. Opinions expressed, including CPA opinions, are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of investors. Employees of Stifel or its affiliates may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. No investments or services mentioned are available to "private customers" in the European Economic Area or to anyone in Canada other than a "Designated Institution." Stifel and/or its employees involved in the preparation or the issuance of this communication may have positions in the securities or options of the issuer/s discussed or recommended herein. Securities identified herein are subject to availability and changes in price.

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High yield fixed income securities, or fixed income securities that don't have credit ratings from nationally recognized statistical rating organizations, may be subject to greater fluctuations in price and greater risk of loss of income and principal, due to greater potential default risk by the associated borrowers than fixed income securities that have investment grade credit ratings from the nationally recognized statistical rating organizations.

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For additional information on investment risks (including but not limited to, market/credit risks, credit ratings, and specific securities provisions), contact your Stifel Fixed Income representative.

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	Applied	Notes
Date Requested	10/08/2026	The Performance Profile was requested on this date
Book Date	09/30/2026	The portfolio's book (holding) price is as of this date
As-Of Date	09/23/2026	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	10/08/2026	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: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
INFORMATION TECHNOLOGY DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE REQUISITIONS WITH MERJAN ENTERPRISES, INC., DBA SOV SECURITY, FOR THE PURCHASE OF SURVEILLANCE CAMERA AND ACCESS CONTROL EQUIPMENT FOR A TOTAL NOT TO EXCEED AMOUNT OF $670,092.13**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Requisition Nos. 270543 and 270561 with Merjan Enterprises, Inc., dba SOV Security, for the purchase of surveillance camera and access control equipment in a combined total amount of $670,092.13, which includes the purchase amount of $241,112.60 for Aero Building, and $428,979.53 for Chimbole Center; and,

2. Authorize the City Manager or his designee to approve the requisitions and resulting purchase orders with Merjan Enterprises, Inc., including minimal and/or non-substantial changes up to the 15% contingency amount approved by the Council.

BACKGROUND

The Aero Building houses critical City public safety functions, including the Emergency Operations Center (EOC), while the Chimbole Cultural Center supports community programs and activities. Both facilities require reliable security infrastructure to protect City personnel, public assets, and sensitive operational areas.

To enhance security at these facilities, the City proposes purchasing surveillance and access control equipment, as applicable, to improve monitoring capabilities, strengthen facility security, and support the City's broader physical security program. The proposed equipment will align with the City's existing security systems and technology standards.

DISCUSSION

The proposed purchases for the Aero Building and Chimbole Center include surveillance cameras, electronic access-control panels, door-control hardware, and related equipment to enhance monitoring and management of secured areas.

These improvements will enhance security monitoring and access management at City facilities, providing greater protection for personnel, assets, and operational areas. The equipment will be integrated with the City's existing security infrastructure to promote system compatibility, streamline maintenance, and support future expansion and long-term security needs.

Staff proposes to purchase security equipment from Merjan Enterprises, Inc., dba SOV Security, for the Aero Building and Chimbole Cultural Center through cooperative purchasing using California Multiple Award Schedules (CMAS) agreements. As authorized under Palmdale Municipal Code (PMC) Section 3.08.140, cooperative purchasing allows the City to utilize contracts established by other public agencies in lieu of conducting a separate competitive solicitation. This procurement method enables the City to leverage pre-negotiated pricing and contract terms, streamline the purchasing process, reduce administrative costs, and maintain compliance with applicable procurement requirements.

FISCAL IMPACT

$670,092.13; Sufficient funds are budgeted and available in Fiscal Year 2026-27.

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:	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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Requisition No. 270543
Requisition No. 270561

Bill To	Requisition 00270543-00 FY 2027
FINANCE DEPARTMENT 38300 SIERRA HWY STE D PALMDALE, CA 93550	Acct No: F0010158-724525 Review: Buyer: cmantell Status: Allocated Page 1

Vendor 36-4499338	Ship To
MERJAN ENTERPRISES INC 29399 AGOURA ROAD STE 103 AGOURA HILLS, CA 91301	INFORMATION SERVICES DEPT 38300 SIERRA HWY STE D PALMDALE, CA 93550

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
10/27/26	011813				INFORMATION SERVICES

LN	Description / Account	Qty	Unit Price	Net Price
001	PROCUREMENT OF SECURITY CAMERA SYSTEM COMPONENTS, DOOR ACCESS CONTROL EQUIPMENT, SOFTWARE LICENSES, AND VIDEO RECORDING HARDWARE.	1.00 EA	241112.60000	241112.60

Additional Description Notes

PROCUREMENT OF SURVEILLANCE CAMERAS, ELECTRONIC ACCESS CONTROL HARDWARE, VIDEO MANAGEMENT SOFTWARE LICENSES, AND NETWORK VIDEO RECORDING EQUIPMENT FOR THE AERO BUILDING, INCLUDING PUBLIC SAFETY AND EMERGENCY OPERATIONS CENTER (EOC) OPERATIONS.

THIS PURCHASE IS BASED ON SOV SECURITY QUOTE #100181, UTILIZING CMAS AGREEMENTS 3-24-09-1047 AND 3-25-04-1002, WITH ADDITIONAL OPEN MARKET ITEMS. THIS PURCHASE IS PENDING CITY COUNCIL APPROVAL ON NOVEMBER 9, 2026.

1	F0010158-724525	241112.60

Requisition Link

Requisition Total 241112.60

***** General Ledger Summary Section *****

Account	Amount	Remaining Budget
F0010158-724525	241112.60	1465851.47
CITY FACILITIES ARPA	CAPITAL PROJECT PROF SERVICES	

Authorized By: _____ Date: _____

Signature

Bill To	Requisition 00270561-00 FY 2027
FINANCE DEPARTMENT 38300 SIERRA HWY STE D PALMDALE, CA 93550	Acct No: F0010158-724525 Review: Buyer: cmantell Status: Allocated

Vendor 36-4499338	Ship To
MERJAN ENTERPRISES INC 29399 AGOURA ROAD STE 103 AGOURA HILLS, CA 91301	INFORMATION SERVICES DEPT 38300 SIERRA HWY STE D PALMDALE, CA 93550

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
10/29/26	011813				INFORMATION SERVICES

LN	Description / Account	Qty	Unit Price	Net Price
001	PROCUREMENT OF SURVEILLANCE CAMERA SYSTEM COMPONENTS, VIDEO MANAGEMENT SOFTWARE LICENSES, NETWORK VIDEO RECORDING EQUIPMENT, AND ASSOCIATED COMMUNICATION CABLING FOR THE CHIMBOLE CENTER.	1.00 EA	428979.53000	428979.53

Additional Description Notes

PROCUREMENT OF SURVEILLANCE CAMERA HARDWARE, VIDEO MANAGEMENT SOFTWARE LICENSES, NETWORK VIDEO RECORDING EQUIPMENT, AND ASSOCIATED COMMUNICATION CABLING FOR THE CITY OF PALMDALE CHIMBOLE CENTER. PURCHASE IS BASED ON SOV SECURITY QUOTE #100326, UTILIZING CMAS AGREEMENTS 3-24-09-1024 AND 3-25-04-1002, WITH ADDITIONAL OPEN MARKET ITEMS.

THIS PURCHASE IS PENDING CITY COUNCIL APPROVAL ON NOVEMBER 9, 2026.

1 F0010158-724525 428979.53

Requisition Link

Requisition Total 428979.53

***** General Ledger Summary Section *****

Account		Amount	Remaining Budget
F0010158-724525		428979.53	1465851.47
CITY FACILITIES ARPA	CAPITAL PROJECT PROF SERVICES		

Authorized By: _____ Date: _____

Signature

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **1**

SUBJECT: **RECEIVE AND FILE THE ANNUAL ACTIVITY REPORT FOR DEVELOPMENT AGREEMENT PERTAINING TO THE OASIS WELLNESS VILLAGE PROJECT LOCATED AT THE SOUTHEAST CORNER OF PALMDALE BOULEVARD AND TIERRA SUBIDA AVENUE**

RECOMMENDATION

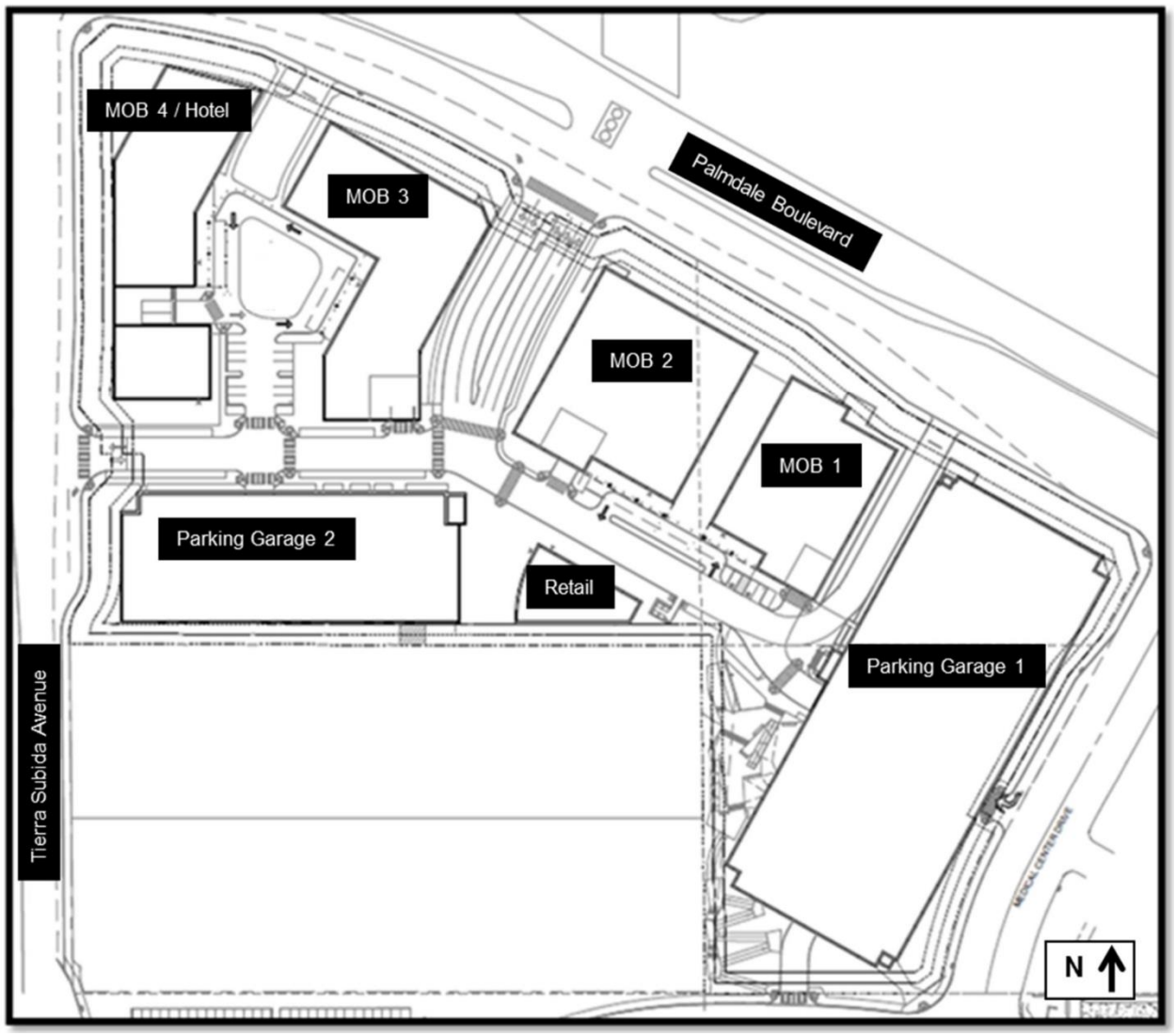
Staff recommend that the City Council:

1. Receive and file the annual activity report for Development Agreement (DA) No. A-5595 pertaining to the Oasis Wellness Village project located at the southeast corner of Palmdale Boulevard and Tierra Subida Avenue.

BACKGROUND

On October 5, 2016, the City Council approved General Plan Amendment 15-001, Zone Change 15-001, and DA No. A-5595 (Resolution No. CC 2016-083) and, subsequently, on January 12, 2017, the Planning Commission approved Planned Development 16-001, Tentative Parcel Map 73748, and Site Plan Review 15-006 (Resolution No. PC-2017-005) for the Oasis Wellness Village project. The development includes construction of a campus-style, mixed-use project composed of services and businesses centered on a theme of wellness and healthy living (Figure 1). The site is located at the southeast corner of Palmdale Boulevard and Tierra Subida Avenue.

FIGURE 1 – SITE PLAN



On November 4, 2025, the City Council reviewed the annual activity report for the DA and directed staff to work with the applicant to identify opportunities to support the advancement of the project. Since that time, staff has maintained ongoing communication with the applicant regarding the status of the project, including potential future tenants and developers.

DISCUSSION

In compliance with Section 9 of the DA and California Government Code Sections 65865.1, the City is required to review the DA at least once every 12 months. During the review period, the applicant or successor in interest must demonstrate good faith

compliance with the terms and conditions of the agreement. If the City determines that the applicant or successor in interest has not complied with the terms and conditions of the agreement, the City may terminate or modify the agreement subject to the procedures in Section 11 of the DA.

Exhibits C and D of DA No. A-5595 (Attachment 1) require the developer to provide certain public benefits and pay fees to the City at specified times during the development process. No fees or public benefit payments were required during the review period (November 1, 2025, through November 1, 2026) because no development occurred. Therefore, the applicant is in compliance with the terms and conditions of the DA.

FISCAL IMPACT

$290; The applicant paid the processing fee specified within the City's fee resolution.

STRATEGIC PLAN

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

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

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENT

Agrmt No. A-5595 - Development Agreement with Oasis Wellness Village Project

This page is part of your document - DO NOT DISCARD

20170628795

Pages: 0036

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County, California

06/07/17 AT 01:05PM

FEES:	0.00
TAXES:	0.00
OTHER:	0.00
PAID:	0.00

LEADSHEET

201706070670022

00013813990

008378368

SEQ:
01

DAR - Counter (Upfront Scan)

THIS FORM IS NOT TO BE DUPLICATED

E497906

7

06/07/2017

20170628795

RECORDED AT REQUEST OF
AND WHEN RECORDED RETURN TO:
City of Palmdale
38250 Sierra Highway
Palmdale, California 93550
Attn: City Manager

Fee Exempt – Gov't Code § 6103

(Space above for Recorder's Use)

DEVELOPMENT AGREEMENT

between

THE CITY OF PALMDALE,
a California municipal corporation

and

PALMDALE INVESTMENT COMPANY, LLC,
a California limited liability company

A-5595

A-5595

This Development Agreement (the "Agreement") is entered by and between the City of Palmdale, a California municipal corporation ("City"), and Palmdale Investment Company, LLC, a California limited liability company ("Owner"). City and Owner shall be referred to jointly within this Agreement as the "Parties."

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted the "Development Agreement Statute," Sections 65864 et seq., of the Government Code. City, a general law city, is authorized by the Development Agreement Statute to enter into development agreements with persons and entities having legal or equitable interests in real property for the purpose of establishing predictability for both City and the property owner in the development process.

B. Owner has requested that City enter into a development agreement for property with the City and more particularly described in Exhibit "A" and depicted on Exhibit "B" (the "Property"). City enters into this Agreement pursuant to the provisions of the California Government Code, the City's General Plan, the City Municipal Code, and applicable City policies.

C. Owner has a legal or equitable interest in the Property and desires to develop on the Property the Oasis Wellness Village (the "Project"), a collection of state-of-the-art continuum care facilities adjacent to the Palmdale Regional Medical Center which will bring critically-needed healthcare facilities within easy reach of the estimated 40-50% of the region's residents who now travel extended distances to obtain their medical care.

D. The City has a significant interest in enhancing the health and welfare of the community by creating opportunities for increased access to quality health care facilities.

E. Owner has filed with the City its request for approval of the following discretionary actions pertaining to the Property:

1. General Plan Amendment 15-001, a request to amend the General Plan land use designation for an approximately 9.9-acre portion of the Project site from CC (Community Commercial) to RC (Regional Commercial) (the "General Plan Amendment"); and

2. Zone Change 15-001, a request to change the zoning designation for an approximately 9.9-acre portion of the Project site from C-3 (General Commercial) to C-4 (Commercial Center) (the "Zone Change").

F. In addition to the General Plan Amendment and the Zone Change, Owner plans in the future to file with the City applications for approval of discretionary actions which more specifically will describe and implement the Project (the "Future Applications"). The Future Applications will include, but are not be limited to, applications for approval of:

1. The "Oasis Wellness Village Planned Development" pursuant to Section 28.05 of the City's Zoning Ordinance; and

2. Tentative Parcel Map No. 73748, a request to subdivide three contiguous parcels totaling approximately 12.13 acres (the "Tentative Parcel Map").

G. This Agreement assures that development of the Property will occur in accordance with City's General Plan, as amended by the General Plan Amendment. The development of the Property pursuant to this Agreement shall be referred to as the "Development Plan."

H. This Agreement constitutes a current exercise of City's police powers to provide predictability to both the City and Owner in the development approval process by vesting the permitted use(s), density, intensity of use, and timing and phasing of development consistent with the Development Plan, thus maximizing the opportunity to achieve the significant enhancement of the community's access to quality health which will result from implementation of the Development Plan (the "Public Benefits").

AGREEMENT

City and Owner agree as follows:

1. INTEREST OF OWNER. Owner represents that it has a legal or equitable interest in the Property and is authorized to enter into this Agreement.

2. PUBLIC HEARINGS. On September 22, 2016, after providing notice as required by law, the Planning Commission of the City held a public hearing on this Agreement and recommended to the City Council the adoption of this Agreement. On October 5, 2016, after providing notice as required by law, the City Council held a public hearing on this Agreement and made the findings set forth in Section 3.

3. CITY COUNCIL FINDINGS. The City Council finds that:

3.1 Subject to the approval of the General Plan Amendment becoming effective on or before the Effective Date, this Agreement is consistent with City's General Plan.

3.2 This Agreement strengthens the public planning process, encourages private participation in comprehensive planning, particularly with respect to the implementation of the City's General Plan, and reduces the economic costs of development and government.

3.3 The best interests of the residents of the City and their public health, safety, and welfare will be served by entering into this Agreement.

4. CONTINUING OBLIGATIONS. This Agreement binds the Parties now and in the future. By approving this Agreement, the City Council has elected to exercise certain governmental powers at the time of entering into this Agreement rather than deferring its actions to some undetermined future date. The terms and conditions of this Agreement have been reviewed by City staff and the City Council and have been found to be fair, just, and reasonable.

5. DEFINITIONS. In this Agreement, unless the context otherwise requires, the following terms and phrases shall have the following meanings:

5.1 "Administrative Fees" shall mean any fee routinely charged by the City to all development projects within the City for the time expended by full-time City employees in providing services related to the development of the Project. Administrative Fees do not, however, include "Development Fees" as defined in Section 5.11 below.

5.2 "Agreement" shall mean this Development Agreement between the City and Owner. The term "Agreement" shall include any amendment properly approved and executed pursuant to Section 7.5.

5.3 "Approval Date" means the date on which the City Council conducted the first reading of the ordinance adopting this Agreement. That date is October 5, 2016.

5.4 "City" shall mean the City of Palmdale, a California municipal corporation.

5.5 "City Council" shall mean the governing body of the City.

5.6 "City Municipal Code" shall mean the Palmdale Municipal Code. However, changes to the Palmdale Municipal Code occurring between the Approval Date and the Effective Date shall not be considered part of the City Municipal Code for purposes of this Agreement without Owner's prior written consent.

5.7 "Day" refers to a calendar day unless specifically stated as a "business day."

5.8 "Default" refers to the material and substantial failure by a Party to comply with one or more material provisions of this Agreement.

5.9 "Development" refers to the improvement of the Property for the purposes of completing all structures, improvements, and facilities comprising the Project.

5.10 "Development Approvals" refers to all permits and other entitlements approved or issued by the City for the use of, construction upon, and/or development of the Property. Development Approvals shall be deemed to include, but are not limited to, the following (and related amendments):

- This Agreement;
- Amendments to the General Plan;
- Master Plans;
- Tentative Maps, Final Maps, including parcel maps;
- Planned Developments, as set forth in Section 28.05 of the City's Zoning Ordinance;
- Conditional use permits, use permits, and site development permits;
- Variances;
- Grading and building permits;
- Certificates of compliance and/or lot line adjustments;
- Street, drainage, utility, storm water, and landscape permits;
- Occupancy permits; and
- Environmental review documents for the Project.

5.11 "Development Fees" refers to all fees established by the City for entitlement and construction activities which, but for this Agreement, could be imposed upon the Project. Development Fees include, but are not limited to, development impact fees, (for example, traffic and fire facility) that could be imposed pursuant to the Mitigation Fee Act (California Government Code Section 66000 et seq.). Other examples of Development Fees include, but are not limited to, fees for demolition, utility connections, site plan review, traffic review, application filing, inspections, plan check, geotechnical review, storm water management, permit issuance, insurance, school fees, occupancy, design review, flow test, and drainage.

5.12 "Development Plan" means Owner's plan for development of the Property consisting of the Existing Land Use Regulations, this Agreement, the Subsequent Land Use Regulations to which Owner has consented in writing, and Subsequent Development Approvals.

5.13 "Effective Date" shall mean the later of (i) date the ordinance adopting this Agreement becomes effective and (ii) the expiration of the period provided by

applicable law, including but not limited to Government Code Section 65009, for challenging the General Plan Amendment.

5.14 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date, including, but not limited to, the General Plan as amended by the General Plan Amendment and the provisions of the City Municipal Code falling within the definition of "Land Use Regulations" (see Section 5.17 below), including, but not limited to, Title 16 (Subdivisions) and Title 17 (Zoning). However, changes to Land Use Regulations occurring between the Approval Date and the Effective Date shall be considered part of the Existing Land Use Regulations only with Owner's written consent. Owner has consented to the General Plan Amendment and the Zone Change, which shall be considered part of the Existing Land Use Regulations.

5.15 "General Plan" shall mean the general plan of the City.

5.16 "General Plan Amendment" shall refer to the amendment of the City's General Plan on October 5, 2016, for the Property.

5.17 "Land Use Regulations" shall mean all ordinances, resolutions, codes, rules, regulations and official policies of the City governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement, construction, and initial occupancy standards and specifications applicable to the Project. Land Use Regulations do not include any City ordinance, resolution, code, rule, regulation or official policy governing:

- The conduct or taxation of businesses, professions, and occupations applicable to all businesses, professions, and occupations in the City;

- Taxes and assessments of general application upon all residents of the City, provided that the taxes and assessments are not imposed for the purpose of taxing the right, power or privilege of developing or improving land (e.g., excise tax) or to directly finance the acquisition or dedication of open space or any other public improvement in respect of which the Owner is paying any fee (directly or through an assessment or similar financing district) or providing any improvement pursuant to this Agreement; or

- The control and abatement of nuisances.

"Land Use Regulations" also do not include any county, state, or federal ordinances, resolutions, codes, rules, regulations and official policies or any City ordinances, resolutions, codes, rules, regulations and official policies, the specific provisions of which are mandated (as opposed to permitted) by county, state, or federal law.

5.18 "Minor Changes" refers to any change to the Project that is otherwise consistent with the Development Plan and which does not result in a change in the type of use, an increase in density or intensity of use, significant new or increased environmental impacts that cannot be mitigated, or violations of any applicable health and safety regulations in effect on the Effective Date.

5.19 "Mortgage" refers to any mortgage, deed of trust, or other security device recorded against some or all of the Property or improvements to the Property for the purpose of securing a debt or other obligation.

5.20 "Mortgagee" refers to a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security device, a lender, and their successors and assigns.

5.21 "Operating Memorandum" refers to the written memorialization of the Parties' mutual consent to adopting "Minor Changes" to the Project.

5.22 "Owner" refers to Palmdale Investment Company, LLC, a California limited liability company, and Owner's successors and assigns.

5.23 "Owner's Vested Right" refers to Owner's guaranteed right to develop the Property as set forth in this Agreement.

5.24 "Paragraph" means a lettered or numbered paragraph of an Exhibit to this Agreement, unless specifically stated to refer to another document or matter. A reference to a Paragraph includes all subparagraphs of that Paragraph.

5.25 "Parcel Map" means a Final Parcel Map approved by the City as a ministerial action.

5.26 "Parking District" refers to an anticipated parking district which will be formed by the City to provide bond financing as a means to fund the construction of the Parking Facilities.

5.27 "Parking Facilities" refers to the two parking structures which are part of the proposed Development Plan, all internal Project streets, each of which provides direct or indirect access to at least one of the parking structures, and all utilities and infrastructure installed and/or constructed beneath those streets.

5.28 "Parking Structures" refers to the two parking structures which are part of the Parking Facilities.

5.29 The "Parties" means the City and Owner. A "Party" refers to either the City or the Owner.

5.30 "Pass-Through Fees" means those fees assessed against the Project and/or the Development by other public agencies, but which are collected (as opposed to imposed) by the City and which, after collection, are "passed through" to the public agency which imposed the fee in the first instance.

5.31 "Project" means the development of the Property as set forth in the Development Plan.

5.32 "Property" means the real property described in Exhibit "A" and depicted on Exhibit "B".

5.33 "Public Benefits" refers to those benefits provided to the residents of the City and the surrounding community by the development of the health care facilities contemplated by the Development Plan. Some of the Public Benefits are listed on Exhibit "C".

5.34 "Reservation of Authority" means the rights and authority specifically reserved to City as described in Section 8.6.

5.35 "Section" refers to a numbered section of this Agreement, unless specifically stated to refer to another document or matter.

5.36 "Subsequent Development Approvals" means all Development Approvals approved, granted, or issued after the Effective Date for the Project which are required or permitted by the Existing Land Use Regulations, the Subsequent Land Use Regulations to which Owner has consented in writing, and this Agreement. Subsequent Development Approvals include, without limitation, all development review approvals required under the Subdivision Map Act, the City's subdivision ordinance and/or other provisions of the City Municipal Code, site development permits, excavation, grading, building, construction, encroachment or street improvement permits, occupancy certificates, utility connection authorizations, drainage, landscape, or other permits or approvals necessary for the grading, construction, marketing, use and occupancy of the Project.

5.37 "Subsequent Land Use Regulations" means those Land Use Regulations which are both adopted and effective after the Approval Date and which are not included within the definition of Existing Land Use Regulations. "Subsequent

Land Use Regulations" include any Land Use Regulations adopted by moratorium by initiative, City action, or otherwise

5.38 "Tentative Map" shall mean a tentative parcel map, as defined in the Subdivision Map Act and the City Municipal Code, for the Project.

5.39 "Term" means the term of this Agreement as set forth in Section 7.2 of this Agreement.

5.40 "Zone Change" means the amendment to the City's Municipal Code with respect to the zoning designation for the Property which was approved by the City Council on the Approval Date.

6. EXHIBITS. All exhibits attached to this Agreement are incorporated as a part of this Agreement. Those exhibits are:

Exhibit	Description
"A"	Legal Description of the Property
"B"	Depiction of the Property
"C"	Public Benefits
"D"	Fees

7. GENERAL PROVISIONS.

7.1 Binding Effect of Agreement. This Agreement shall be recorded against the Property and shall run with the land. The Development shall be carried out in accordance with the terms of this Agreement.

7.2 Term of Agreement. The Term shall commence on the Effective Date. The Term shall continue for a period of twenty-five years from the Effective Date, but shall be extended for periods equal to the time during which:

- Litigation is pending which challenges any matter, including compliance with CEQA or any other local, state, or federal law, related in any way to the approval or implementation of all or any part of the Development Plan. Any such extension shall be equal to the time between the filing of litigation, on the one hand, and the entry of final judgment or dismissal, on the other. All such extensions shall be cumulative.

- Any application by Owner for a regulatory permit and/or approval from an agency other than City which is required for the Project, but has been pending more than one year after its submittal, beginning on the 366th day following its submittal for approval.

- Any other delay occurs which is beyond the control of the Parties, as described in Section 13.10.

7.3 Termination. This Agreement shall be deemed terminated and of no further effect upon the earlier occurrence of any of the following events:

- Expiration of the Term as set forth in Section 7.2;

- Completion of the Project in accordance with the terms of this Agreement, including issuance of all required occupancy permits and acceptance, as required by state law, by City, or the applicable public agency, of all required dedications and the satisfaction of all of Owner's obligations under this Agreement; and

- As may be provided by other specific provisions of this Agreement.

7.4 Effect of Termination. Subject to Section 8.10, upon any termination of this Agreement, the only rights or obligations under this Agreement which either Party shall have are:

- The completion of obligations which were to have been performed prior to termination, subject to Section 11; and

- The performance and cure rights set forth in Section 11.

7.5 Amendment or Cancellation of Agreement. This Agreement may be amended from time to time or canceled only by the written consent of both City and Owner in the same manner as its adoption, as set forth in California Government Code Section 65868. Any amendment or cancellation shall be in a form suitable for recording in the Official Records of Los Angeles County, California. An amendment or other modification of this Agreement will continue to relate back to the Effective Date of this Agreement (as opposed to the effective date of the amendment or modification), unless the amendment or modification expressly states otherwise.

7.6 Release of Obligations With Respect to Individual Parcels Upon Certification of Occupancy. Notwithstanding any other provision of this Agreement:

7.6.1 When any individual parcel has been finally subdivided and sold, leased, or made available for lease to a member of the public or any other ultimate user, and a certificate of occupancy has been obtained for the building(s) on the lot, that lot and its owner shall have no further obligations under and shall be released from this Agreement.

7.6.2 Upon the conveyance of any lot, parcel, or other portion of the Property to a property owners' association or public or quasi-public entity, that lot, parcel, or portion of the Property and its owner shall have no further obligations under and shall be released from this Agreement.

No formal action by the City is required to effect this release, but, upon Owner's request, City shall sign an estoppel certificate or other document to evidence the release.

7.7 Minor Changes. The provisions of this Agreement require a close degree of cooperation between the Parties and "Minor Changes" to the Project may be required from time to time to accommodate design changes, engineering changes, and other refinements related to the details of the Parties' performance. "Minor Changes" shall mean changes to the Project that are otherwise consistent with the Development Plan, and which do not result in a change in the type of use, an increase in density or intensity of use, significant new or increased environmental impacts that cannot be mitigated, or violations of any applicable health and safety regulations in effect on the Effective Date.

Accordingly, the Parties may mutually consent to adopting "Minor Changes" through their signing of an "Operating Memorandum" reflecting the Minor Changes. Neither the Minor Changes nor any Operating Memorandum shall require public notice or hearing. The City Attorney and City Manager shall be authorized to determine whether proposed modifications and refinements are "Minor Changes" subject to this Section 7.7 or more significant changes requiring amendment of this Agreement. The City Manager may execute any Operating Memorandum without City Council action.

7.8 Term of Map(s) and Other Development Approvals.

7.8.1 Subdivision Maps. Pursuant to Government Code Section 66452.6, the term of all parcel maps that are approved for all or any portion of the Property shall be extended to a date coincident with the Term and, where not prohibited by State law, with any extension of the Term.

7.8.2 Site Development Permits. Site Development Permits for the Project shall have terms that coincide with the term of the subdivision or parcel map for the portion of the Property to which a particular Site Development Permit pertains.

7.8.3 Other Development Approvals. Pursuant to Government Code Section 65863.9, any and all other Development Approvals, including, but not limited to, those discretionary approvals listed in Recital E above, for any portion of the Project shall automatically be extended for a term ending concurrently with the applicable tentative maps for the Project. Pursuant to Section 7.8.1, those terms shall be the same as the Term of this Agreement.

7.8.4 Decisions of Planning Manager. Any decision of the Planning Manager with respect to Subsequent Development Approvals may be appealed to the City's Planning Commission pursuant to the procedures of the City's Municipal Code. Decisions of the Planning Commission on appeal may be appealed to the City Council pursuant to the procedures of the City's Municipal Code.

7.9 Relationship of City and Owner. The contractual relationship between City and Owner arising out of this Agreement is one of independent contractor and not agency. This Agreement does not create any third-party beneficiary rights.

7.10 Notices. All notices, demands, and correspondence required or permitted by this Agreement shall be in writing and delivered in person or mailed by first class or certified mail, postage prepaid, addressed as follows:

If to City, to:

City of Palmdale
38300 Sierra Highway
Palmdale, California 93550
Attn: City Manager

With a copy to:

City of Palmdale
38300 Sierra Highway, Suite A
Palmdale, CA 93550
Attn: City Attorney

If to Owner, to:

Palmdale Investment Company, LLC
1146 N. Central Ave., #441
Glendale, CA 91202-2502
Attn: John Thomas
john@thomaspartners.com

With a copy to:

Tim Paone
Cox, Castle & Nicholson
3121 Michelson Drive
Suite 200
Irvine, CA 92612
tpaone@coxcastle.com

City or Owner may change its address by giving notice in writing to each of the other names and addresses listed above. Thereafter, notices, demands, and correspondence shall be addressed and transmitted to the new address. Notice shall be deemed given upon personal delivery or, if mailed, two (2) business days following deposit in the United States mail.

8. DEVELOPMENT OF THE PROPERTY.

8.1 Owner's Vested Right. Owner shall have the vested right to complete Development of the Property in accordance with the Development Plan ("Owner's Vested Right").

8.2 Governing Land Use Regulations. The Land Use Regulations applicable to the Project and the Property shall be those contained in the Development Plan. An amendment or other modification of this Agreement will not change these applicable Land Use Regulations unless the amendment or modification expressly provides otherwise. Subsequent Land Use Regulations shall not apply to the Property unless the Parties mutually agree in writing that the Project will be subject to one or more Subsequent Land Use Regulations. Owner's application for a Subsequent Land Use Regulation and the City's approval of that application as submitted or as otherwise agreed to in writing by Owner shall be deemed an effective mutual written agreement of the Parties.

Nothing contained in this Agreement shall be deemed to authorize City to withhold any building permit, approval, and/or certificate of occupancy based on Owner's failure to comply with any Land Use Regulation that, as a result of this Agreement, is not applicable to the Project.

8.3 Permitted Uses. The permitted uses on the Property shall be as provided in the Development Plan.

8.4 Density and Intensity; Requirement for Reservation and Dedication of Land. The density and intensity of use for all Development on the Property, and the requirements for reservation and dedication of land, shall be as provided in the Development Plan.

8.5 Subdivision Map Processing.

8.5.1 *The Parcel Map*. Processing, filing, and recording of the Parcel Map shall be as provided within the Subdivision Map Act and subject only to the Existing Land Use Regulations.

8.5.2 *Phased Final Maps*. Pursuant to Section 66452.6(a)(1) of the California Subdivision Map Act, through this Agreement Owner has requested and City agrees to permit the filing of up to four "phased final maps," as that term is used in Section 66452.6(a)(1), for the Project. This request by Owner shall be deemed to be in effect at the approval of the Tentative Map.

8.6 Reservation of Authority. The following Land Use Regulations or Subsequent Land Use Regulations shall apply to the Property and the Project:

- Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure;

- Provided that they are uniformly applied to all development projects within the City and are not applied retroactively to any Development Approval issued before their adoption or amendment, uniform codes governing engineering and construction standards and specifications adopted by the City pursuant to state law (such codes include, without limitation, the City's adopted version of the Uniform Administrative Code, California Building Code, California Plumbing Code, California Mechanical Code, California Electrical Code, and California Fire Code); and

- Regulations which may be in conflict with this Agreement, but which are objectively required (and there are no available reasonable alternatives) to protect the public health and safety in the event of a sudden, unexpected occurrence involving a clear and imminent danger, and demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public services within the immediate community. Such regulations must be a valid exercise of the City's police power and must be applied and construed so as to provide Owner, to the maximum extent possible, with the rights and assurances provided in this Agreement. To apply to the Property, such regulations must be adopted after a public hearing and must be based upon findings of necessity established by a preponderance of the evidence. Any regulations, including moratoria, enacted by City and imposed on the Property to protect the public health and safety in the circumstances described above shall toll the Term and any time periods for performance by Owner and City set forth in this Agreement.

8.7 Assessment District or Other Public Financing. Subject to all procedural requirements of State and City law, City shall use its best efforts to conduct proceedings to consider and utilize one or more of a number of alternative public financing mechanisms authorized by state law, which may include, but are not limited to, Enhanced Infrastructure Financing Districts, Mello Roos Districts, Community Facilities Districts, Parking/ Public Improvement Districts, Landscaping and Lighting Assessment Districts, Utility Authority, other land based secured assessment districts, lease leaseback transaction structures, project specific tax revenue reimbursement, as well as other allowed financing mechanisms (collectively, "Public Financing Mechanisms"). These Public Financing Mechanisms may, at the City's sole and absolute discretion, be used to provide public financing for one or more of the following: (i) the acquisition of the land designated in the Development Plan for the construction of the two parking structures (the "Parking Structures") and all interior streets of the Project which provide direct or indirect access to at least one of those Parking Structures (collectively, the "Parking Facilities") (ii) the construction of the Parking Facilities, and (iii) the construction of infrastructure and other public amenities such as water, sewer and storm water facilities, parks, public pavilions, pedestrian areas, and any other projects authorized by state law governing the particular financing mechanism. It is anticipated that the City may consider creating and/or utilizing a Special Purpose Authority ("Authority"), and that a separate financing agreement(s) will be required by and between the City and/or the Authority and Owner.

8.7.1 *Owner's Financial Capacity*. Prior to any determination of public financing and/or funding of the Parking Facilities, City and, if applicable, Authority must be satisfied that the Owner has the ability and financial capacity to develop the Project and, therefore, provide the significant benefit of making high quality health care facilities reasonably accessible to residents of City and surrounding communities. Based on the foregoing determination in conjunction with an independent determination by special counsel that such financing complies with applicable federal and State regulations, the City or the Authority may authorize (i) construction and operation of the Parking Facilities by Owner and (ii) issuance and sale of future bonds, if any, that shall be based on prevailing municipal financing practices and criteria and sold in a mutually agreeable timeframe that would consider the timing as follows: (a) the first Parking Structure shall be complete and available for use prior to occupancy of the first non-parking building that is part of the Project and (b) the second Parking Structure shall be complete and available for use as agreed based on the future occupancy of the Project.

8.7.2 *Project Contingent on Public Financing Mechanism.* Owner recognizes that City cannot commit to a Public Financing Mechanism through this Agreement, and must comply with all aspects of local, state, and federal law relevant to the formation of a Public Financing Mechanism prior to making such a commitment. City, however, recognizes that Owner cannot commit to development of the Project unless City exercises its discretion to form/provide a Public Financing Mechanism to, at a minimum, finance the construction of the Parking Facilities.

8.7.3 *Project Contingent on Owner's Management of Parking Structures.* City recognizes that, subject to compliance with all state and federal regulations, Owner cannot commit to development of the Project unless City and Owner enter into an agreement for a term of no less than 75 years granting to Owner the right to (i) manage construction of the Parking Structures, (ii) when completed, manage and maintain the two Parking Structures at Owner's expense, and (iii) collect and retain the revenues from the Parking Structures.

8.7.4 *Project Contingent on Owner's Management of Parking Structures.* City recognizes that, subject to compliance with all state and federal regulations and any bond financing restrictions and/or covenants, Owner cannot commit to development of the Project unless City and Owner enter into an agreement granting to Owner an option for Owner to purchase at fair market value either one or both of the

Parking Structures (whether separately, jointly, or at different times) at any time during Owner's management of the Parking Structures.

8.8 Fees. Because of the City's desire for the development of the Property to provide reasonable access for the residents of the City and surrounding communities to high quality health care, Development Fees (see Section 5.11) and, Administrative Fees (see Section 5.1) shall be as set forth on Exhibit "D". In the case of any ambiguity or uncertainty as to whether a particular fee is an Administrative Fee or a Development Fee, it shall be treated as a Development Fee. As noted on Exhibit "D", Pass-Through Fees (see Section 5.30) shall not be capped or waived.

Owner is solely responsible for obtaining a determination by the Department of Industrial Relations regarding the adjustment of Development Fees pursuant to this Agreement or any public subsidy for the Project to determine whether it meets the exemption of "de minimis in the context of the project" as outlined in Section 1720(c)(3) of the California Labor Code.

8.9 Adequacy of Required Infrastructure. The City acknowledges and agrees that, upon Owner's completion of the Project pursuant to the City's conditions of approval, there will be sufficient capacity to accommodate the Project in the infrastructure and services owned, operated, outsourced, controlled, and/or provided by the City, including, without limitation, traffic circulation, storm drainage, trash collection, and flood control. Where City renders or outsources such services or owns such infrastructure, City shall serve the Project and there shall be no restrictions placed upon Owner concerning hookups or service for the Project, except for reasons beyond City's control.

8.10 Vested Rights Upon Termination. Termination of this Agreement shall not invalidate any Land Use Regulations or terminate any Subsequent Development Approvals obtained prior to the date of termination. Upon any termination of this Agreement, Owner's vested rights, if any, shall be determined by this Agreement to the extent development has occurred on the Property, and as to the remainder of the Project, by state and federal statutes and case law and then current factual state of the Development.

8.11 Staffing and Expedited Processing. City shall employ all lawful actions capable of being undertaken by City to (i) promptly receive and, when complete, accept all applications for Subsequent Development Approvals and related environmental analysis, if any (collectively, "Applications"), and (ii) expeditiously process and take action upon the Applications in accordance with applicable law.

8.12 Changes in Federal and State Law. The Property may be subject to subsequently enacted state or federal laws or regulations which preempt local regulations or mandate the adoption of local regulations that conflict with or impede implementation of the Development Plan. Upon discovery of such a subsequently enacted federal or state law, City or Owner shall provide the other Party with written notice, a copy of the state or federal law or regulation, and a written explanation of the legal or regulatory conflict created. Within ten (10) days thereafter, City and Owner shall meet and confer in good faith in a reasonable attempt to modify this Agreement, as necessary, to comply with such federal or state law or regulation. In such negotiations, City and Owner agree to preserve the terms of this Agreement and the rights of Owner and City as derived from this Agreement to the maximum feasible extent while resolving the conflict. City agrees to cooperate with Owner in resolving the conflict in a manner which minimizes any financial impact of the conflict upon Owner or City. City also agrees to process, in the same expedited manner as set forth for Applications in Section 8.11, Owner's proposed changes to the Development Plan as needed to comply with such federal or state law, and to process those changes in accordance with City procedures. Any delays caused by such changes in state or federal law shall toll the term of this Agreement and the time periods for performance by Owner and City set forth in this Agreement.

8.13 Timing of Development. Because the California Supreme Court held *in Pardee Construction Co. v. City of Camarillo*, 37 Cal. 3d 465 (1984), that the failure of the parties in that case to provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over the parties' agreement, it is the specific intent of the Parties to provide for the timing of the Project in this Agreement. Therefore, subject to any State requirement related to the completion of construction for which a building permit has been issued, Owner shall have the right, but not the obligation, to complete the Project in such order, at such rate, at such times, and in as many development phases and sub-phases as Owner deems appropriate in its sole subjective business judgment.

8.14 Conditions, Covenants and Restrictions. Owner shall have the right, but not the obligation, to reserve and record such covenants, conditions, and restrictions (CC&Rs) against the Property as Owner deems appropriate, in its sole and absolute discretion.

9. ANNUAL REVIEW.

9.1 Timing of Annual Review. Pursuant to Government Code Section 65865.1, at least once during every twelve (12) month period of the Term, City shall review the good faith compliance of Owner with the terms of this Agreement ("Annual Review").

9.2 Standards for Annual Review. During the Annual Review, Owner shall demonstrate good faith compliance with the terms of this Agreement. "Good faith compliance" shall be established if Owner is in substantial compliance with the material terms and conditions of this Agreement.

9.3 Procedures for Annual Review. The Annual Review shall be conducted by the City Council or its designee. Owner shall be given a minimum of sixty (60) days' notice of any date scheduled for an Annual Review. Owner shall not be limited in the information it presents to the City Council for the Annual Review and may, if needed, provide information to the City Council in the first instance at the City Council hearing on the Annual Review. Should the City Council designate a party other than itself to conduct the Annual Review, these same notice and procedural requirements shall apply to the conduct by the designee of the Annual Review.

9.4 Certificate of Compliance. At any time during any year that the City Council or its designee finds that Owner is not in Default under this Agreement, City shall, upon written request by Owner, provide Owner with a written certificate of good faith compliance within fifteen (15) days of City's receipt of that request.

10. THIRD PARTY LITIGATION.

10.1 Third Party Litigation Concerning Agreement. Owner shall, at Owner's expense, indemnify and hold City, its officers, employees and independent contractors engaged in project planning or implementation, harmless from any third-party claim, action or proceeding against City, its agents, officers or employees to attack, set aside, void, or annul the approval of this Agreement (collectively, "Third-Party Claims"). City shall promptly notify Owner of any Third-Party Claim and City shall cooperate in the defense.

10.2 Duty to Defend. Owner shall defend City against all Third-Party Claims at Owner's expense with legal counsel selected by Owner. Owner shall advise City of its choice of counsel and consider, but not be obligated by, any input the City may provide regarding the retention of that counsel. With respect to any Third-Party Claim, if Owner asks City to participate in the defense of a Third-Party Claim, City shall participate. Even if not requested, City may elect to participate in the defense of any Third-Party Claim. Under either circumstance, (i) City may

select its own legal counsel to represent City in that defense and (ii) Owner shall reimburse City for the reasonable cost of that defense. For purposes of this Section 10.2, to "participate" in the defense of a Third-Party Claim shall mean that, whether through the City Attorney's office or outside counsel, the City shall appear in court hearings and trials, prepare and file briefs, and otherwise directly engage in litigation related to the Third-Party Claim.

10.3 Processing During Third Party Litigation. The filing of any third party lawsuit(s) against City or Owner relating to this Agreement, the General Plan, any Development Approvals, including Subsequent Development Approvals, or other development issues affecting the Property shall not delay or stop the development, processing, or construction of the Project, approval of Subsequent Development Approvals, or issuance of Development Approvals unless the third party obtains a court order preventing such activity. City shall not stipulate to the issuance of any such order without Owner's prior written consent.

11. DEFAULTS, REMEDIES, AND WAIVERS.

11.1 Notice. Before either Party may declare a Default under this Agreement this Agreement, the procedures of this Section must be followed. In the case of a Default arising from the conduct of an Annual Review, the procedures of this Section shall be strictly followed and shall constitute a second and independent review of the good faith compliance of Owner.

The Party asserting a Default (the "Non-Defaulting Party") may elect to do so by providing written notice to the Party alleged to be in Default (the "Defaulting Party") setting forth the nature of the Default and the actions, if any, required by the Defaulting Party to cure the Default. The Defaulting Party shall be deemed in Default if the Defaulting Party fails to cure the Default within thirty (30) business days after the date of such notice (for monetary defaults) or within sixty business (60) days after the date of such notice (for non-monetary defaults)("Cure Periods"). If the nature of the alleged Default is such that it cannot reasonably be cured within the applicable Cure Period, the Defaulting Party shall not be deemed to be in Default if it has commenced efforts to cure the Default within the applicable Cure Period and continues to diligently pursue completion of the cure.

11.2 Default Remedies. A Party who complies with the notice of Default and opportunity to cure requirements of this Section may, at its option, institute legal action to cure, correct, or remedy the alleged Default, enjoin any threatened or attempted violation, enforce the terms of this Agreement by specific performance, or pursue any other legal or equitable remedy, with the

exception of termination of this Agreement. These remedies shall be cumulative rather than exclusive, except as otherwise provided by law.

11.3 Standard of Review. Any determination that a Party is in Default shall be based upon the preponderance of evidence. In any legal action alleging or challenging a Party's determination of Default, the court shall conduct a de novo review of compliance based on the administrative record and determine if the preponderance of evidence supports the claim of Default.

11.4 Waiver; Remedies Cumulative. There are no implied waivers. All waivers of performance must be in a writing signed by the Party granting the waiver. Failure by either Party to insist upon the strict performance of any provision of this Agreement, irrespective of the length of time for which such failure continues, shall not constitute a waiver of the right to demand strict compliance with this Agreement in the future.

A written waiver affects only the performance specifically waived and defines the scope and duration of the waiver. Unless expressly stated in a written waiver, future performance of the same or any other condition is not waived.

A Party who complies with the notice and opportunity to cure requirements of this Agreement, where applicable, and pursues a legal or equitable remedy available under this Agreement does not waive its right to pursue any other remedy available under this Agreement, unless prohibited by statute, court rules, or judicial precedent.

Delays, tolling, and other actions arising under this Agreement shall not be considered waivers subject to this Section.

12. ENCUMBRANCES, ASSIGNMENTS, AND RELEASES.

12.1 Discretion to Encumber. This Agreement shall not prevent or limit Owner, in any manner, at Owner's sole discretion, from encumbering some or all of the Property or any improvement on the Property with a Mortgage (see Section 5.19).

12.2 Mortgagee Protection. City acknowledges that any lender(s) providing financing secured by the Property and/or its improvements may require Minor Changes. If requested by Owner or a lender, City shall meet with Owner and representatives of the lender(s) to negotiate in good faith any such Minor Changes. City will not unreasonably withhold or delay its consent to a requested Minor Change provided the Minor Change is consistent with the intent and purposes of this Agreement. The following terms and conditions apply to all Mortgages:

12.2.1 Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value.

12.2.2 If City timely receives a request from a Mortgagee requesting a copy of any notice of Default given to Owner under the terms of this Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) days after receiving the Mortgagee's request. The Mortgagee shall have the right, but not the obligation, to cure the Default during the remaining cure period allowed Owner under this Agreement.

12.2.3 Except as otherwise provided within this Agreement, any Mortgagee who comes into possession of some or all of the Property pursuant to foreclosure of a Mortgage or deed in lieu of such foreclosure or otherwise, shall:

- Take the property acquired subject to the terms of this Agreement and as Owner's successor;
- Have the rights and obligations of an Assignee as set forth in Sections 12.3 and 12.4;
- Have the right to rely on the provisions of Section 8 of this Agreement, provided that any development proposed by the Mortgagee is in substantial conformance with the terms of this Agreement; and
- Not be liable for any Defaults, whether material or immaterial, or monetary obligations of Owner arising prior to acquisition of title to the Property by the Mortgagee, except that the Mortgagee may not pursue development pursuant to this Agreement until all delinquent and current fees and other monetary obligations, if any, due to the City under this Agreement for the portions of the Property acquired by the Mortgagee have been paid to City.

12.3 Assignments of Interest in Agreement. Owner shall have the right to sell, transfer, or assign some or all of the Property at any time during the Term (a "Property Conveyance"). Any sale, transfer, or assignment of Owner's rights and obligations under this Agreement (collectively, an "Assignment") in connection with a Property Conveyance, however, shall be subject to the requirements outlined below.

12.3.1 *Assignments Requiring City's Consent.* The qualifications and identity of Owner are of particular concern to the City. It is because of those qualifications and identity that the City has entered into this Agreement with Owner. The City has negotiated the terms of this Agreement in contemplation of the construction of the Parking Facilities. Accordingly, from the Effective Date until the issuance of a Release of Construction Covenants for the Parking Facilities, all Assignments by Owner shall be subject to the terms of this Section 12.3.

12.3.2 *Assignments Permitted Without City's Consent.* Notwithstanding any other provision of this Agreement, Assignments related to the following Property Conveyances and other transactions shall not require City consent:

- The conveyance or dedication of any portion of the Property to a public agency, including the City.
- The granting of easements or permits to facilitate construction of the Parking Facilities.
- The granting of easements or permits for utility purposes.
- Transactions for financing purposes, including the grant of a deed of trust to secure the funds necessary for land acquisition, construction, and/or permanent financing of any portion of the Project.
- The acquisition of some or all of the Property by a Mortgagee in its capacity as a Mortgagee, such as through foreclosure or a deed in lieu of foreclosure.
- If Owner is a publicly held corporation, real estate investment trust or publicly held partnership, a transfer of stock or other shares, provided there is no material change in the actual management and control of Owner.
- Transactions with an Owner affiliate, provided that, following the transaction, Owner shall (i) retain an ownership and operational interest in the Project (directly or indirectly) and (ii) Owner's current representatives shall remain the primary Owner representative(s) for purposes of communication with the City.

- Transactions which have the effect of merging Owner's interest in the Property with current or acquired interests of other entities, provided that, following the transaction, Owner shall (i) retain an ownership and operational interest in the Project (directly or indirectly) and (ii) Owner's current representatives shall remain the primary Owner representative(s) for purposes of communication with the City.

- Entering into reciprocal easement agreements and CC&Rs with tenants and end users, related to some or all of the Project.

12.3.3 *City Consideration of Requested Assignment.* The City agrees that it will not unreasonably withhold, condition, or delay approval of a request for approval of an Assignment made pursuant to this Section 12.3 which requires the City's approval, provided the Owner delivers written notice to the City requesting such approval. Such notice shall be accompanied by evidence regarding the proposed assignee's development and/or operational qualifications and experience and its financial commitments and resources in sufficient detail to enable the City to evaluate the proposed assignee pursuant to the criteria set forth in this Section 12.3. The City may, in considering any such request, take into consideration such factors as, without limitation, the assignee's experience and expertise, the assignee's past performance as developer or operator of similar developments, and the assignee's current financial condition and capabilities.

12.3.4 *Assignment and Assumption Agreement.* Prior to any Assignment (whether or not an Assignment requiring the City's consent), Owner shall give written notice to City of the Assignment and satisfactory evidence that the assignee has assumed in writing through an assignment and assumption agreement all of the Owner's obligations set forth in this Agreement (an "Assignment and Assumption Agreement"). The Assignment and Assumption Agreement shall be in a form reasonably satisfactory to the City's legal counsel.

12.3.5 *City's Action on Request for Consent.* Within fifteen (15) days after the receipt of the Owner's written Notice requesting City approval of an Assignment, the City shall either approve or disapprove the proposed assignment or shall respond in writing by stating what further information, if any, the City reasonably requires in order to determine the request complete and determine whether or not to grant the requested approval. Upon receipt of such a response, the Owner shall promptly provide to the City the requested information. Within fifteen

(15) days after the receipt of such information, the City shall approve or disapprove the requested Assignment. Upon the effective date of an assignment approved by the City, Owner shall be released from all obligations to the City under this Agreement with respect to the portion of the Property which is the subject of the Assignment.

12.4 Effect of Assignment. Unless otherwise stated within the Assignment, upon an Assignment:

- The Assignee shall be liable for the performance of all remaining obligations of Owner with respect to those portion of the Property which are conveyed pursuant to the Property Conveyance (the "Transferred Property"), but shall have no obligations with respect to any portions of the Property not conveyed (the "Retained Property").

- The owner of the Retained Property shall be liable for the performance of all obligations of Owner with respect to the Retained Property, but shall have no further obligations with respect to the Transferred Property.

- The Assignee's exercise, use, and enjoyment of the Transferred Property shall be subject to the terms of this Agreement to the same extent as if the Assignee were the Owner.

13. MISCELLANEOUS PROVISIONS.

13.1 Rules of Construction. The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory; "may" is permissive.

13.2 Entire Agreement. This Agreement constitutes the entire understanding and agreement of City and Owner with respect to the matters set forth in this Agreement. This Agreement supersedes all negotiations or previous agreements between City and Owner respecting the subject matter of this Agreement.

13.3 Recorded Statement Upon Termination. Upon the completion of performance of this Agreement or its cancellation or termination, a statement evidencing completion, cancellation, or termination signed by the appropriate agents of the Parties shall be recorded in the Official Records of Los Angeles County, California.

13.4 Project as a Private Undertaking. It is specifically understood by the Parties that (i) the Project is a private development, (ii) City has no responsibility to third parties concerning any improvements to the Property unless City accepts the improvements pursuant to the provisions of this Agreement or in connection with subdivision map approvals, and (iii) Owner shall have exclusive control of the Property.

13.5 Incorporation of Recitals. Each of the Recitals set forth at the beginning of this Agreement are part of this Agreement.

13.6 Captions. The captions of this Agreement are for convenience and reference only and shall not define, explain, modify or aid in the interpretation, construction, or meaning of any of the provisions of this Agreement.

13.7 Consent. Where the consent or approval of City or Owner is needed to implement Development under this Agreement, the consent or approval shall not be unreasonably withheld, delayed, or conditioned.

13.8 Covenant of Cooperation. The Parties shall cooperate and act in good faith to assist each other in the performance of the provisions of this Agreement.

13.9 Execution and Recording. The City Clerk shall cause a copy of this Agreement to be signed by the appropriate representatives of the City and recorded with the Office of the County Recorder of Los Angeles County, California, within ten (10) days following the effective date of the ordinance adopting this Agreement. The failure of the City to sign and/or record this Agreement shall not affect the validity of this Agreement.

13.10 Delay for Events Beyond the Parties' Control. Performance by either Party of its obligations under this Agreement shall be excused, and the Term shall be extended, for periods equal to the time during which (1) litigation is pending which challenges any matter, including compliance with CEQA or any other local, state, or federal law, related in any way to the approval or implementation of all or any part of the Development Plan or (2) a delay caused by any event beyond the control of the performing Party prevents or delays performance by that Party of an obligation under this Agreement. All such extensions shall be cumulative. Such events shall include, by way of example and not limitation, acts of nature, enactment of new federal or state laws or regulations, judicial actions such as the issuance of restraining orders and injunctions, delay in the issuance of bonds or formation of the Parking District, riots, strikes, and damage to work in process by reason of fire, mud, rain, floods, earthquake, or other such casualties. With respect to litigation, any such extension shall be equal to the time between the filing of litigation, on the one hand, and the entry of final judgment or dismissal, on the other.

If either Party seeks excuse from performance, it shall provide written notice of such delay to the other Party within thirty (30) days after the commencement of such delay. Any disagreement between the Parties with respect to whether this Section applies to a particular delay or default is subject to the filing by either Party of an action for judicial review of the matter, including requests for declaratory and/or injunctive relief.

13.11 Interpretation and Governing Law. In any dispute regarding this Agreement, the Agreement shall be governed and interpreted in accordance with the laws of the State of California. Venue for any litigation concerning this Agreement shall be in Los Angeles County, California.

13.12 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

13.13 Estoppel Certificate. Within ten (10) business days following a written request by either of the Parties, the other Party shall execute and deliver to the requesting Party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured Defaults under this Agreement or the responding Party alleges that specified (date and nature) Defaults exist. The statement shall also provide any other reasonable information requested. The failure to timely deliver this statement shall constitute a conclusive presumption that this Agreement is in full force and effect without modification, except as may be represented by the requesting Party and that there are no uncured Defaults in the performance of the requesting Party, except as may be represented by the requesting Party. Owner shall pay to City all reasonable administrative costs incurred by City in connection with the issuance of estoppel certificates under this Section prior to City's issuance of such certificates.

13.14 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

13.15 Future Litigation Expenses.

13.15.1 Payment to Prevailing Party. If either Party brings a legal or equitable proceeding against the other Party which arises in any way out of this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and all other reasonable costs and expenses incurred in that proceeding.

13.15.2 Scope of Fees. Attorneys' fees under this Section shall include attorneys' fees on any appeal and in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the termination of this Agreement.

13.15.3 Limitation of Liability. Owner's obligations under this Agreement are solely those of Owner. In no event shall any present, past or future officer, director, shareholder, member, employee, partner, affiliate,

manager, representative or agent of Owner (a "Related Party") have any personal liability, directly or indirectly, under this Agreement. Recourse in any way connected with or arising from this Agreement shall not be available against any Related Party

Owner and City have executed this Agreement on the dates set forth below.

CITY

City of Palmdale

By: _____
James C. Ledford, Jr.
Mayor

DATE:

OWNER

Palmdale Investment Company, LLC,
a California limited liability company

By: _____
George E. Thomas
Its: Managing Member

DATE:

ATTEST:

_____
Rebecca Smith,
City Clerk

APPROVED AS TO FORM:

By: _____
Wm. Matthew Ditzhazy
City Attorney

DATE:

A-5595

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)
) ss:
COUNTY OF Los Angeles)

On 2-11-17, 2017 before me, SHABBIR AZAM NOTARY PUBLIC
(insert name and title of the officer),

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

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

WITNESS my hand and official seal.

Signature: _____

[Seal]

SHABBIR AZAM
COMM. # 2147421
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
MY COMM. EXP. APR. 21, 2020

A-5595

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)
) ss:
COUNTY OF Los Angeles)

On May 25, 2017 before me, Lisa Roxanne Faber, Notary Public
(insert name and title of the officer),

personally appeared James C. Ledford, JR., 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: Lisa Roxanne Faber

[Seal]

LISA ROXANNE FABER
Notary Public - California
Los Angeles County
Commission # 2179363
My Comm. Expires Feb 9, 2021

A-5595

EXHIBIT "A"

LEGAL DESCRIPTION

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA BEING THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27 TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27; THENCE, ALONG THE SOUTHERLY LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27, SOUTH 89°53'26" EAST, 50.00 FEET TO A POINT ON THE EASTERLY LINE OF THE EASEMENT DESCRIBED IN PART A OF THE ROAD DEED RECORDED FEBRUARY 3, 1967 AS INSTRUMENT NO. 1895, OFFICIAL RECORDS OF SAID COUNTY, SAID POINT BEING THE **TRUE POINT OF BEGINNING**; THENCE, ALONG SAID EASTERLY LINE THE FOLLOWING FOUR (4) COURSES:

1. NORTH 00°32'20" WEST, 71.77 FEET;
2. NORTH 01°22'13" EAST, 300.17 FEET;
3. NORTH 00°32'20" WEST, 218.53 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 27.00 FEET;
4. NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 96°11'04" AN ARC LENGTH OF 45.33 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 950.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°38'44" WEST, SAID COMPOUND CURVE BEING THE SOUTHERLY LINE OF THE EASEMENT DESCRIBED IN THE ROAD DEED RECORDED FEBRUARY 1, 1957 IN BOOK 53536, PAGE 146, OFFICIAL RECORDS OF SAID COUNTY.

THENCE, ALONG SAID SOUTHERLY LINE, THE FOLLOWING TWO (2) COURSES:

1. EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23°13'29" AN ARC LENGTH OF 385.08 FEET;
2. SOUTH 61°07'47" EAST, 432.47 FEET TO THE SOUTHWESTERLY LINE OF THE EASEMENT DESCRIBED IN THE DOCUMENT ENTITLED "AMENDED FINAL ORDER OF CONDEMNATION" RECORDED MAY 17, 2011 AS INSTRUMENT NO. 20110695447, OFFICIAL RECORDS OF SAID COUNTY;

THENCE, ALONG THE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY LINES OF THE PARCELS DESCRIBED IN SAID DOCUMENT, THE FOLLOWING SIX (6) COURSES:

1. SOUTH 51°38'47" EAST, 254.92 FEET;
2. SOUTH 61°07'47" EAST, 64.35 FEET;
3. SOUTH 16°06'22" EAST, 34.40 FEET;
4. SOUTH 29°03'41" WEST, 290.26 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 466.50 FEET;

5. SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18°42'32" AN ARC LENGTH OF 152.33 FEET;

6. SOUTH 54°17'21" WEST, 23.09 FEET TO THE SOUTHERLY LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27;

THENCE, ALONG SAID LINE, NORTH 89°55'37" WEST, 209.72 FEET TO THE EASTERLY LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27;

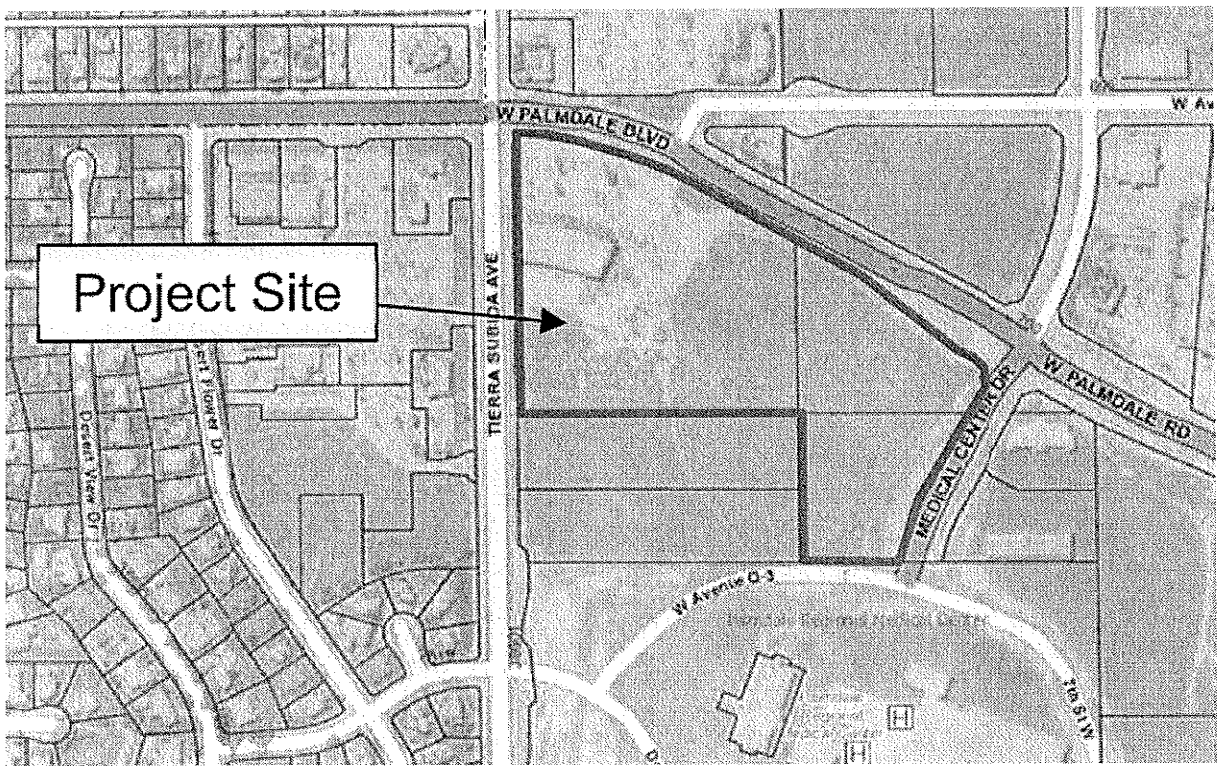
THENCE, ALONG SAID LINE, NORTH 00°37'42" WEST, 335.60 FEET TO SAID SOUTHERLY LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27; THENCE, ALONG SAID SOUTHERLY LINE, NORTH 89°53'26" WEST, 619.58 FEET TO THE **TRUE POINT OF BEGINNING.**

THE ABOVE DESCRIBED PARCEL CONTAINS 12.13 ACRES, MORE OR LESS.

A-5595

EXHIBIT "B"

DEPICTION OF THE PROPERTY



A-5595

EXHIBIT "C"

ADDITIONAL PUBLIC BENEFITS

	Public Benefit	Description	Timing
1	**Donation to Palmdale Community Foundation**	Owner shall pay Seventeen Thousand Five Hundred Dollars ($17,500.00) to the Palmdale Community Foundation to be used to support community activities related to healthy lifestyle.	$7,500 upon occupancy of second medical office building within the Project, with $2,500 per year paid on the four anniversary dates of that first payment.
2	**Sustainability**	The Project will comply with all mandatory provisions of the California Green Building Standards Code.	At the times required under applicable regulations.
3	**Charging Stations**	The Project's parking structures shall include up to 10% (as determined by Owner), more charging stations than otherwise required by applicable regulations.	As built.
4	**Public Spaces**	Owner shall provide the City with criteria for the use of public spaces within the Project area for activities such as health fairs, education seminars, marathons, festivals, special health screenings, and other healthy-living themed events.	Prior to occupancy of the third medical office building within the Project.
5	**Non-Profit Health Care Provider Leases**	Owner shall develop a program to facilitate short-term, below-market leases to local non-profit health care providers for up to a cumulative total of 2,000 sf of office space.	After completion of the Project and occupancy of all buildings within the Project.
6	**Hiring**	To the extent within its control, commercially feasible and reasonable, and consistent with all applicable laws, Owner shall encourage the hiring of local, women-owned, and minority-owned firms or local residents, women and minority individuals (i) for Project construction and (ii) by future tenants of the Project.[1]	As applicable.
7	**Shuttle Access**	Developer shall use its best efforts to develop a commercially feasible and reasonable program for a service to transport seniors within the City to the Project.	After the Project is complete and fully leased.

[1] Where applicable, one example of how this provision may be satisfied with respect to tenants is that, prior to the occupancy of space by a tenant, Owner may provide a written statement to the tenant which includes words to the effect of *"Owner encourages Tenant to hire or contract with local, women-owned, or minority-owned firms or local residents, women, and minorities as part of its business practices."*

EXHIBIT "D"

FEES

	Fee Category	Disposition	Timing of Payment
1	**Development Fees (See Section 5.11)**	Development Fees shall be paid for those Development Fees in effect on the Effective Date at the rates in effect on the Effective Date. If, after the Effective Date, the City cumulatively decreases the rate of any Development Fee by 50% or more, the Project shall be subject only to the reduced rate. Under no circumstance shall Owner be required to pay more than Three Million Dollars ($3,000,000) toward the combined amount of (the "Combined Fee Cap"): • Development Fees (including the full amount of all Development Fees paid through the Parking District with respect to the Parking Facilities); and • Administrative Fees (see Item 2 below).	Subject to the Combined Fee Cap, Development Fees incurred before completion of construction of the second parking structure for the Project shall be paid upon completion of that construction and the certification by the City that the second parking structure is available for use. Development Fees incurred after that date shall be paid when due under applicable City regulation.
2	**Administrative Fees (See Section 5.1)**	Owner shall pay all Administrative Fees which would normally be charged for all projects within the City under City regulations in effect at the time payment is due. Under no circumstance shall Owner be required to pay more than the Combined Fee Cap toward: • Development Fees (including the full amount of all Development Fees paid through the Parking District with respect to the Parking Facilities); and • Administrative Fees.	Subject to the Combined Fee Cap, Administrative Fees shall be paid at the time those fees would normally be paid for all projects within the City under City regulations in effect when that payment is normally due.
3	**Pass-Through Fees (See Section 5.30)**	Owner shall pay all Pass-Through Fees which are collected, but not imposed, by the City.	Pass-Through Fees shall be paid at the time those fees would normally be paid for all projects within the City, provided that no Pass-Through Fees shall be collected from the Project more than thirty (30) days before those fees are required to be delivered to the pass-through agencies.

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC & COMMUNITY DEVELOPMENT DEPARTMENT ECONOMIC DEVELOPMENT DIVISION**

DISTRICT: **1**

SUBJECT: **APPROVE AGREEMENT NO. A-10116 WITH CONVERGE STRATEGIES, LLC, FOR PLANNING AND ENGINEERING SERVICES TO SUPPORT THE U.S. AIR FORCE PLANT 42 (PLANT 42) INSTALLATION READINESS PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF $724,199 FOR A TERM OF 18 MONTHS FROM THE DATE OF THE NOTICE TO PROCEED**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-10116 with Converge Strategies, LLC, for technical planning and engineering consulting services, for a total not to exceed amount of $724,199 for a term of 18 months from the date of the Notice to Proceed; and,

2. Authorize the City Manager or his designee to execute Agreement No. A-10116 with Converge Strategies, LLC, including minimal and/or non-substantive changes.

BACKGROUND

The City of Palmdale is home to Plant 42, an Air Force-owned, contractor-operated installation that serves as a major aerospace and defense manufacturing and flight test facility. Plant 42 supports thousands of jobs and is a significant economic driver for Palmdale and the Antelope Valley. As surrounding communities grow, maintaining compatibility between military operations and adjacent land uses is increasingly important. The U.S. Department of Defense Office of Local Defense Community Cooperation (OLDCC) Installation Readiness Program provides funding to help defense communities address these challenges through coordinated planning and regional partnerships.

The City was awarded funding under this competitive federal program to advance collaborative planning efforts in partnership with Plant 42, Wright-Patterson Air Force Base, and the U.S. Installation Readiness Program administered through OLDCC. On

August 4, 2026, City Council adopted Resolution No. CC 2026-051 authorizing the City Manager to accept, execute, and administer the grant.

DISCUSSION

A consultant will provide professional planning, engineering, project management, and facilitation services to support the City's Plant 42 Installation Readiness Project.

Primary responsibilities include:

1. **Project Management and Coordination:** Manage project activities, coordinate with City staff and stakeholders, and oversee project deliverables.
2. **Land Use Compatibility Planning:** Evaluate potential encroachment and land use conflicts surrounding Plant 42 and recommend mitigation strategies and planning policies, including integration with the City's General Plan.
3. **Infrastructure and Engineering Studies:** Assess utility and drainage infrastructure to identify existing constraints and future needs affecting Plant 42 and surrounding development.
4. **Stakeholder Engagement and Tabletop Exercise Facilitation:** Coordinate regional stakeholder engagement and plan and facilitate a multiagency tabletop exercise addressing installation compatibility and infrastructure challenges.

These services will help the City develop strategies to protect Plant 42's operational readiness while supporting compatible development and economic growth.

Request for Proposals and Consultant Evaluation

The City conducted a competitive Request for Proposals (RFP) process, advertising the opportunity through PlanetBids for 30 days. Three proposals were received and evaluated by a committee representing the Economic and Community Development and Public Works departments. Proposals were evaluated using the criteria established in the RFP, including relevant experience, technical approach, project management capabilities, and ability to complete the work within the grant period.

Evaluation Criteria	**Available Points**
Expertise, Experience & Training Plus Prior Contracting History	30
Project Approach	30
Project Understanding	20
Compliance with RFP	10
Cost Proposal	10
Total	**100**

Each evaluator scored the RFP independently, and the firms were ranked as follows:

Rank	Consultant	Headquarter Location
1	Converge Strategies, LLC	Washington, DC
2	HR Green	Cedar Rapids, IA, with offices in Corona and Palm Desert, CA.
3	FEI Associates Consulting Engineering	Chino, CA

Converge Strategies, LLC was the highest-ranked proposer and is recommended for contract award. The firm has extensive experience supporting military installation readiness, including work with 110 military installations and nine OLDCC-funded installation readiness projects. Relevant experience also includes prior work with Edwards Air Force Base. References were checked for all applicants; references for Converge were exceptional.

FISCAL IMPACT

$724,199; The proposed agreement with Converge Strategies, LLC will be reimbursed with OLDCC funding budgeted in the grant award. No additional General Fund appropriation is requested.

The City was awarded $944,402 for the OLDCC Installation Readiness Project, consisting of $849,925 in federal funding and a required $94,477 local match provided through City staff time.

STRATEGIC PLAN

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

D. Pursue alternative financing opportunities for continued infrastructure improvements and qualify community programs.

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Agrmt No. A-10116 with Converge Strategies, LLC

AGREEMENT NO. A-10116
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND CONVERGE STRATEGIES, LLC (CSL)

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 CONVERGE STRATEGIES, LLC (CSL) (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory ("Effective Date").

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:

Multidisciplinary planning, engineering, infrastructure assessment, GIS, stakeholder coordination, and related professional services for the Air Force Plant 42 Readiness Project, as more fully described in Attachment A, Scope of Work, which is attached hereto and incorporated herein by reference.

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:

Claire Reynolds - Technical Lead and Senior Project Manager, Sofia Mongeon – Project Manager, Erica Blevins – Infrastructure Analysis Lead, Jack Graul – Stakeholder Coordination, Alex Pina – Project Advisor, Meredith Pringle – Project Advisor, Braxton Duncan – Project Advisor

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 eighteen months (18) Months, commencing on the effective date, with CITY reserving the option to extend the Contract for 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, and shall at all times remain as to CITY, a wholly independent contractor. CONSULTANT shall have no power to incur any debt, obligation, or liability on behalf of CITY or otherwise to act on behalf of CITY as an agent. CONSULTANT, its officers, employees and agents shall not have any power to bind or commit the CITY to any decision or course of action, and CONSULTANT, its officers, employees and agents shall not represent to any person or party that it or they are acting as agents of the CITY or that it or they have the power to bind or commit the CITY. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as set forth in this Contract. CONSULTANT shall not represent that it is, or that any of its agents or employees are, in any manner employees of CITY.

Under no circumstances shall CONSULTANT look to the CITY as its employer. CONSULTANT shall not be entitled to any benefits. CITY makes no representation as to the effect of this independent contractor relationship on CONSULTANT's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and CONSULTANT specifically assumes the responsibility for making such a determination. CONSULTANT shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax

withholding, unemployment insurance, disability insurance, workers' compensation, and other applicable federal and state taxes.

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 and Twenty-Four Thousand and One-Hundred and Ninety-Nine dollars ($724199), payable as follows:

In accordance with Attachment B, Approved Fee Schedule, which is attached hereto and incorporated herein by reference.

CONSULTANT shall submit to CITY an invoice, on a monthly basis or less frequently, for services performed pursuant to this Agreement. Each invoice shall identify the maximum amount payable above, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges. CITY shall not withhold applicable taxes or other payroll deductions from payments made to CONSULTANT except as otherwise required by law. CONSULTANT shall include a copy of each subconsultant invoice for which reimbursement is sought in the invoice. 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 any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to CITY under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to CONSULTANT under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of CITY. CITY shall further have the right to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of CITY or as part of any audit of CITY, for a period of three (3) years after final payment under the Agreement.

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.

9.5 Funding Contingency; Suspension or Termination. Notwithstanding any other provision of this Contract, the parties acknowledge that performance under this Contract is contingent upon the availability and continued appropriation of sufficient funding. In the event that anticipated, allocated, or appropriated funding is reduced, delayed, or not received in whole or in part ("Funding Shortfall"), the affected party may, upon written notice to the other party, suspend performance of its obligations under this Agreement to the extent reasonably necessary.
If the Funding Shortfall continues for a period of 0 days following such notice, the affected party may terminate this Contract, in whole or in part, without penalty or further liability, upon additional written notice. Any suspension or termination pursuant to this section shall not constitute a breach of this Contract.

In the event of suspension or termination due to a Funding Shortfall, the parties shall equitably adjust compensation to reflect services properly performed and authorized expenses incurred prior to the effective date of suspension or termination. The affected party shall use reasonable efforts to provide prompt notice of any Funding Shortfall and to mitigate any adverse impact on the other party.

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.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on

behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any federal, state, or local policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in CalPERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for CalPERS benefits.

11 Insurance

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

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

11.1.2 Professional Liability (Errors & Omissions) Insurance*
$2,000,000 limit on a per occurrence basis

11.1.3 Commercial General Liability
$1,000,000.00 limit on a per occurrence basis
$2,000,000.00 general aggregate limit

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

11.2 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.

The insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

The inclusion of the City and its officers, employees, agents, and volunteers as additional insureds shall not affect any rights the Contractor has under the policy, nor shall it limit the insurer’s ability to deny coverage to any insured based on that insured’s own acts or omissions.

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 Contract 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 Contract, and will cover CONSULTANT, or its officers, employees, or agents during the time this Contract 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 Contract (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 Contract. 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.

All Work Product developed or received by CONSULTANT or provided for performance of this Contract are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Contract**.**

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 WCAG 2.1AA Compliance

Information and communication technology means information technology and other equipment, systems, technologies, or processes, for which the principal function is the creation, manipulation, storage, display, receipt, or transmission of electronic data and information, as well as any associated content. Examples include computers and peripheral equipment; information kiosks and transaction machines; telecommunications equipment; customer premises equipment; multifunction office machines; software; applications; Web sites; videos; and electronic documents.

Each information and communication technology (hereinafter referred to as "ICT") product or service furnished to the City under this Contract shall be accessible to and usable by individuals with disabilities in accordance with the Americans with Disabilities Act, as amended, (hereinafter referred to as the "ADA") and other applicable Federal laws, including Section 508 of the Rehabilitation Act, as amended, and State laws and implementing regulations. For purposes of this clause, Consultant shall be considered in compliance with the ADA and other Federal and State laws if it satisfies the requirements (including exceptions) specified in the regulations 36 CFR Part 1194 implementing Section 508 of the Rehabilitation Act, including the Web Content Accessibility Guidelines (WCAG) 2.1 Level A and Level AA Success Criteria and Conformance Requirements (2008), which are incorporated by reference, and the functional performance criteria.

Consultant shall maintain and retain, subject to review by the City, full documentation of the measures taken to ensure compliance with the applicable requirements and functional performance criteria, including records of any testing or simulations conducted. For each ICT subject to the Contract, the documentation shall include a description of conformance with applicable federal and state laws by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request.

If Consultant claims its products or services satisfy the applicable requirements and standards specified above and it is later determined by the City that any furnished product or service is not in compliance with such requirements and standards, the City will promptly inform the Consultant in writing of the noncompliance. The Consultant shall, at no cost to the City, repair or replace the non-compliant products or services within the period specified by the City. If the repair or replacement is not completed within the specified time, the City may cancel the Contract or have any

necessary changes made or repairs performed by employees of the City or by another consultant, and Consultant shall reimburse the City for any expenses incurred thereby. Consultant shall indemnify and hold the City harmless in the event of claims arising from inaccessibility.

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.

22.3 This Agreement is subject to prevailing wage law, for all work performed under the Agreement for which the payment of prevailing wages is required under the California Labor Code. In particular, CONSULTANT acknowledges that prevailing wage determinations are available for the performance of inspection and survey work.

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 Consultant Personnel with access to the Project or Owner Resources. For Consultant 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 Consultant 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 Contract (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 $200 per day, beginning at zero (0) days from written notice given by CITY.

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 All documents referenced as exhibits in this Contract are hereby incorporated into this Contract. In the event of any material discrepancy between the provisions of this Contract and those of any document incorporated herein by reference, the provisions of this Contract shall prevail. This instrument contains the entire Contract between CITY and CONTRACTOR with respect to the transactions contemplated herein. No other prior oral or written Contracts are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on behalf of the CITY and CONTRACTOR. 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
Cit Manager

Megan Taggart
Nov 5, 2026, 2:32 PM PST

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

APPROVE AS TO FORM:

Nov 5, 2026, 2:24 PM PST

Aleks Giragosian
City Attorney

ATTEST:

Rochelle Scott
City Clerk

CONVERGE STRATEGIES, LLC (CSL):

Michael Wu
Nov 5, 2026, 2:55 PM PST

Michael Wu
CEO

ADDRESS FOR NOTICE:
CONVERGE STRATEGIES, LLC (CSL)
1301 K Street NW
Washington, DC 20005

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

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
■Attached Agreement Checklist and met all requirements
■Attach Quotes, Solicitation Docs, City's Best Interest, Government Code, etc.

Record of Signing

For City of Palmdale
Name Taylor Anderson
Title Deputy City Attorney



Signed on Nov 5, 2026 2:24 PM PST

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DocumentID: 034sY1QAZC9M5RFnWLkRPh
SigningID: 034sY1POzpwhbP5XCIU0yF
UTC Signing time: 2026-11-05 22:24:37 UTC
IP Address: 20.237.142.185
Email: tanderson@chwlaw.us

For City of Palmdale
Name Megan Taggart
Title



Signed on Nov 5, 2026 2:32 PM PST

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DocumentID: 034sY1QAZC9M5RFnWLkRPh
SigningID: 034sYD4T7h1DVkMUiPHHg4
UTC Signing time: 2026-11-05 22:32:17 UTC
IP Address: 172.56.121.109
Email: mtaggart@cityofpalmdaleca.gov

For Converge Strategies, LLC
Name Michael Wu
Title CEO



Signed on Nov 5, 2026 2:55 PM PST

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DocumentID: 034sY1QAZC9M5RFnWLkRPh
SigningID: 034sYmfzU1uV7UUpLplHIH
UTC Signing time: 2026-11-05 22:55:41 UTC
IP Address: 73.53.20.34
Email: mwu@convergestrategies.com

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City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PARKS AND RECREATION DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **APPROVE FOURTH AMENDMENT TO AGREEMENT WITH PACIFIC WEST SOUND, INC., TO PROVIDE AUDIO PRODUCTION AND EQUIPMENT SERVICES AT THE PALMDALE AMPHITHEATER INCREASINGTHE AMOUNT BY $28,000, FOR A TOTAL AMOUNT NOT TO EXCEED $1,116,475 FOR A TERM THROUGH JUNE 30, 2027**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Fourth Amendment to Agreement No. A-7866 with Pacific West Sound, Inc., to provide audio production and equipment services for the Palmdale Amphitheater, increasing the amount of the agreement by $28,000, for a total amount not to exceed $1,116,475 for a term through June 30, 2027

BACKGROUND

The Palmdale Amphitheater hosts concerts and community events that require professional audio production services and equipment. Because the venue does not have permanent audio equipment, the City contracts for these services to meet the technical requirements of each event and artist performance agreement.

Pacific West Sound, Inc., has provided these services at the Amphitheater since June 2022 under Agreement No. A-7866. The agreement is in its final extension year and expires June 30, 2027.

DISCUSSION

The 2026 concert season included more performances than previous seasons, along with artists requiring more complex audio equipment and production support. These requirements resulted in higher-than-anticipated costs for specialized equipment, additional production labor, and artist-specific needs.

The proposed Fourth Amendment to Agreement No. A-7866 increases the agreement amount by $28,000 to cover these additional expenses. Sufficient funding is available within the City's approved budget, and no additional appropriation is required. The amendment only increases the agreement's not-to-exceed amount.

The current agreement expires June 30, 2027. The City plans to issue a competitive Request for Proposals (RFP) in spring 2027 to select a provider for future audiovisual production and equipment services. This will allow the City to reassess its needs and obtain competitive proposals for future events.

FISCAL IMPACT

$28,000; Funds are budgeted and available in FY 2026-27 in the Events and Culture concert account.

STRATEGIC PLAN

Prepared by:	Keri Smith, Director of Parks and Recreation
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Agrmt No. A-7866 Fourth Amendment with Pacific West Sound Inc.
Agrmt No. A-7866 Third Amendment with Pacific West Sound Inc.
Agrmt No. A-7866 Second Amendment with Pacific West Sound Inc.
Agrmt No. A-7866 First Amendment with Pacific West Sound Inc.
Agrmt No. A-7866 with Pacific West Sound Inc.

4TH AMENDMENT TO AGREEMENT A- 7866
BETWEEN THE CITY OF PALMDALE AND PACIFIC WEST SOUND INC.

This 4th Amendment to Agreement No. A-7866 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and PACIFIC WEST SOUND INC. (hereinafter called "CONTRACTOR"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on July 1, 2022 ("Original Agreement") the CITY and CONTRACTOR entered into an agreement to provide:

Professional audio and design services to support sound production at the Palmdale Amphitheater for City special events and rentals.

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

Amend Contract Price

NOW THEREFORE, the parties agree as follows:

1. Section 5 of the Agreement, PRICE, is hereby increased by Twenty-Five Thousand dollars ($25,000.00) to provide additional equipment and to service performance services, bringing the total amount of the contract to One Million One Hundred Thirteen Thousand Four Hundred Seventy-Five dollars ($1,113,475.00).

Original Value.....$242,000.00
Amendment #1.....$24,200.00
Amendment #2..... $680,300.00
Amendment #3.....$141,975.00
Amendment #4.....$28,000.00
Revised Not-To-Exceed Amount.....$1,116,475.00

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

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

CITY OF PALMDALE:

Salvador Mendez
City Manager

Keri Smith
Nov 4, 2026, 1:55 PM PST

ADDRESS FOR NOTICE:
CITY OF PALMDALE
827 East Avenue Q-9
Palmdale, CA 93550

APPROVE AS TO FORM:

Nov 4, 2026, 1:49 PM PST

Aleks Giragosian
City Attorney

ATTEST:

Rochelle Scott
City Clerk

PACIFIC WEST SOUND INC.:

Nov 4, 2026, 2:06 PM PST

Brent Milton
President

ADDRESS FOR NOTICE:
PACIFIC WEST SOUND INC.
521 East 21st Street
Bakersfield, CA 93305

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

□Certificate(s) and Endorsement(s) attached
□Confirmed business name on contract with certificate(s)
□Original contract and previous amendment(s) (if any) are attached
□Attached Agreement Checklist and met all requirements
■Attach Quotes, Solicitation Docs, City's Best Interest, Government Code, etc.

Record of Signing

For City of Palmdale
Name Taylor Anderson
Title Deputy City Attorney



Signed on Nov 4, 2026 1:49 PM PST

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DocumentID: 034rxp79gCdedmOTPZSONX
SigningID: 034rxp6iHu8nuQxI2mVF44
UTC Signing time: 2026-11-04 21:49:36 UTC
IP Address: 20.237.142.185
Email: tanderson@chwlaw.us

For City of Palmdale
Name Keri Smith
Title



Signed on Nov 4, 2026 1:55 PM PST

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DocumentID: 034rxp79gCdedmOTPZSONX
SigningID: 034rxxNff07YQzbHvlxRj3
UTC Signing time: 2026-11-04 21:55:02 UTC
IP Address: 45.62.177.244
Email: ksmith@cityofpalmdaleca.gov

For Pacific West Sound
Name Brent t Milton
Title Principal



Signed on Nov 4, 2026 2:06 PM PST

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DocumentID: 034rxp79gCdedmOTPZSONX
SigningID: 034ryEoSGYyfx74RuYwtcQ
UTC Signing time: 2026-11-04 22:06:29 UTC
IP Address: 24.199.37.6
Email: brentm@pacificwestsound.com

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3RD AMENDMENT TO AGREEMENT A- 7866
BETWEEN THE CITY OF PALMDALE AND PACIFIC WEST SOUND INC.

This 3rd Amendment to Agreement No. A-7866 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and PACIFIC WEST SOUND INC. (hereinafter called "CONTRACTOR"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on July 1, 2022 ("Original Agreement") the CITY and CONTRACTOR entered into an agreement to provide:

Professional audio and design services to support sound production at the Palmdale Amphitheater for City special events and rentals.

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

Amend contract Price, Description of Work, Term and Insurance

NOW THEREFORE, the parties agree as follows:

1. Section 5 of the Agreement, PRICE, is hereby increased by One Hundred Forty-One Thousand Nine Hundred Seventy-Five dollars ($141,975.00) to provide additional equipment and to service performance services, bringing the total amount of the contract to One Million Eighty-Eight Thousand Four Hundred Seventy-Five dollars ($1,088,475.00).

Original Value.....$242,000.00
Amendment #1.....$24,200.00
Amendment #2..... $680,300.00
Amendment #3.....$141,975.00
Revised Not-To-Exceed Amount.....$1,088,475.00

2. Section 2 of the Agreement, DESCRIPTION OF WORK, is hereby amended to include:

* CONTRACTOR agrees to provide Rigging Services specializing in rigging services, equipment, and motor package to support sound, lighting and video production for City special events.

*All rigging installation and supervision, including the direction of any assisting personnel, shall be performed exclusively by Pacific West Sound's Inc. certified rigger.

*Flexibility to meet City event schedules, as necessary. Additional equipment may be required for rental events help at the Palmdale Amphitheater and/or other various city events.

*EQUIPMENT PROTECTION DUE TO WEATHER: Contractor shall be solely

responsible to protect all equipment from inclement weather conditions.

REQUIREMENTS:
*Ten (10) years' experience in theatrical rigging for outdoor events on a 40'deep x 60' wide x 4.5 high with two towers approximately 30' tall.
*Certified rigging personnel and technicians.
*Head Rigger who is certified ETCP (The Entertainment Technician Certification Program) or certified in other similar rigging certification programs to meet industry standards and training.
*Down Rigger
*Ability to inspect, maintain and repair all equipment to meet high safety standards.
*Ability to meet a variety of artist sound and lighting specifications.

EQUIPMENT:
CONTRACTOR will provide:
*Motors to support sound and lighting production for the general house hand to include:
*(2) CM chain hoist motors, one ton are used to operate the truss to fly the sound.
*(1) CM chain hoist motor, 1000lbs. - used for stacking cases
*(1) Control and cable package motor controller operates (8) of the motors and the 9th motor connects to the house motor controller.
*(9) Motors
*Six 3 Phase Motor - 1 Ton - 65' Chain
*One 3 Phase Motor - 1 Ton - 65' Chain
*Two Skjonberg 3 Phase Motor Control w/Pendant - 8 CH
*One Steel Package
*Two 18" Truss - 10', 5-Chord
*Eight Standard Truss Bolts - 5/8"
*One 18" Truss - 5', 5-Chord
*Four Standard Truss Bolts - 5/8"

3. Term of the Agreement is hereby amended for one additional year, commencing on July 1, 2026.

4. Section #9, of this Agreement INSURANCE, is hereby amended to add Professional Liability (E&O) of $1,000,000.00 limit on a per occurrence basis.

Price Sheet - Truss and Rigging

Qty	Description	Rate	Price	Notes
6	3 Phase Motor - 1 Ton 65' Chain	Day Rate	100.00	
1	3 Phase Motor - 1 Ton 65' Chain	Day Rate	0.00	

2	Skjonberg 3 Phase Motor Control w/ Pendant - 8CH	Day Rate	175.00	
1	Steel Package	Day Rate	300.00	
2	18" Truss-10'5, 5-Chord	Day Rate	100.00	
8	Standard Truss Bolts - 5/8"	Day Rate	0.00	
1	18" Truss-5', 5-Chord	Day Rate	50.00	
4	Standard Truss Bolts - 5/8"	Day Rate	0.00	
1	Head Rigger	Day Rate	1300.00	ETCP Certified Rigger w/ Osha 30 Load In, Load Out
2	Down RIgger	Day Rate	850.00	
95	Palmdale Area Delivery - 95 miles x 2	Day Rate	4.75	

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

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

CITY OF PALMDALE:

Salvador Mendez
Jun 23, 2026, 5:11 PM PDT

Salvador Mendez
City Manager

Keri Smith
Jun 17, 2026, 5:58 PM PDT

ADDRESS FOR NOTICE:
CITY OF PALMDALE
827 East Avenue Q-9
Palmdale, CA 93550

PACIFIC WEST SOUND INC.:

Jun 19, 2026, 9:31 AM PDT

Brent Milton
President

ADDRESS FOR NOTICE:
PACIFIC WEST SOUND INC.
521 East 21st Street
Bakersfield, CA 93305

APPROVE AS TO FORM:

Alexandra Severino
Jun 23, 2026, 12:23 PM PDT

Alexandra Severino
City Attorney

ATTEST:

Rochelle Scott
Jun 24, 2026, 4:45 PM PDT

Rochelle Scott
City Clerk

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

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

Record of Signing

For City of Palmdale
Name Keri Smith
Title



Signed on Jun 17, 2026 5:58 PM PDT

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DocumentID: 033aF063PtuLEfmcR0RB1B
SigningID: 033aF05sOxHJeWKLAZwref
UTC Signing time: 2026-06-18 00:58:45 UTC
IP Address: 149.20.203.222
Email: ksmith@cityofpalmdaleca.gov

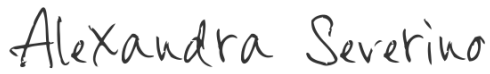
For Pacific West Sound
Name Brent t Milton
Title Principal



Signed on Jun 19, 2026 9:31 AM PDT

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SigningID: 033bBDyuGWIu0DwkbkXfy1
UTC Signing time: 2026-06-19 16:31:16 UTC
IP Address: 108.147.175.15
Email: brentm@pacificwestsound.com

For City of Palmdale
Name Alexandra Severino
Title



Signed on Jun 23, 2026 12:23 PM PDT

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SigningID: 033dWnxO75pAHEAlR2lQ89
UTC Signing time: 2026-06-23 19:23:24 UTC
IP Address: 75.237.245.161
Email: aseverino@harperburns.com

For smendez@cityofpalmdaleca.gov
Name Salvador Mendez
Title



Signed on Jun 23, 2026 5:11 PM PDT

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DocumentID: 033aF063PtuLEfmcR0RB1B
SigningID: 033ddsSuih73IdOvf3tRI4
UTC Signing time: 2026-06-24 00:11:36 UTC
IP Address: 199.27.32.164
Email: smendez@cityofpalmdaleca.gov

For City of Palmdale
Name Rochelle Scott
Title City Clerk



Signed on Jun 24, 2026 4:45 PM PDT

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DocumentID: 033aF063PtuLEfmcR0RB1B
SigningID: 033eCZvNXnUM0kTDeddJz3
UTC Signing time: 2026-06-24 23:45:35 UTC
IP Address: 199.27.32.167
Email: rscott@cityofpalmdale.org

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2ND AMENDMENT TO AGREEMENT A-7866
BETWEEN THE CITY OF PALMDALE AND PACIFIC WEST SOUND INC.

This 2ND Amendment to Agreement No. A-7866 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and PACIFIC WEST SOUND INC. (hereinafter called "Pacific West Sound Inc."). This Contract shall become effective on the date of the last signatory.

WHEREAS, on July 1, 2022 ("Original Agreement") the CITY and Pacific West Sound Inc. entered into an agreement to provide:

Professional audio and design services to support sound production at the Palmdale Amphitheater for City special events and rentals.

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

Amend increase contract price, and amend fee schedule breakdown of services.

NOW THEREFORE, the parties agree as follows:

1. Section 5 of the Agreement, PRICE, is hereby increased by an additional Six-Hundred Eighty Thousand Three-Hundred Dollars ($680,300.00) and bringing the total amount of the contract to Nine Hundred Forty-Six Thousand Five-Hundred Dollars ($946,500.00).

2. Section 5 of the Agreement, PRICE, is hereby amended to the below fee schedule breakdown and is payable as follows:

City Concert and Amphitheater Rentals Package (Complete Line Array)
• Active ADA Compliant Assisted Listening Devices

Package Pricing
YEAR 4: $20,500.00/Per Event
YEAR 5: $23,500.00/Per Event

Backline
Year 3: Up to $4,500.00/Per Event
Year 4: Up to $4,500.00/Per Event
Year 5: Up to $4,500.00/Per Event

Extra Labor
Year 3: Up to $2,000.00/Per Event
Year 4: Up to $2,000.00/Per Event
Year 5: Up to $2,000.00/Per Event

City Concert and Amphitheater Rentals Package (Racks and Stacks / Complete Line Array Package)
• Active ADA Compliant Assisted Listening Devices

Package Pricing

YEAR 4: $15,720.00/Per Event
YEAR 5: $17,020.00/Per Event

Extra Labor
Year 3: Up to $1,980.00/Per Event
Year 4: Up to $1,980.00/Per Event
Year 5: Up to $1,980.00/Per Event

Kaleidoscope Package (Ground Stack)
• Active ADA Compliant Assisted Listening Devices
• 3 Engineers

Package Pricing - 1 Day Event
YEAR 4: $31,000.00/Per Event
YEAR 5: $34,000.00/Per Event

Package Pricing - 2 Day Event (Consecutive Days)
YEAR 3: $34,000.00/for 2 Day Event
YEAR 4: $37,000.00/for 2 Day Event
YEAR 5: $41,000.00/for 2 Day Event

LED Video Wall with Production and Operatin (optional add on to existing sound production)
• Upstage LED Wall (20' x 12' Minimum)
• Maximum 3.9mm panels
• All power and data cabling
• LED Wall Programming Laptop
• LED Wall Rigging (Spanset, GacFlex, Sling Link, Steel Shackle, Truss Bolts, Utility Truss)
• Video Village (Streaming Video Switcher, MacBook Pro, Cabling)
• Complete video directing capability inclusive of gear and technician
• Sample gear to include; Video HD streaming console, MacBook Pro, Medi Player, and any other nexessary components for processing
• Minimum of one video engineer through the duration of each event that consists of one day from 8am-11pm

Package Pricing
YEAR 3: $9,500.00
YEAR 4: $10,500.00
YEAR 5: $11,700.00

3. All other terms and conditions remain in full force and effect.

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

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

CITY OF PALMDALE:

Ronda Perez
City Manager

KS
Signed: 4/9/2024

ADDRESS FOR NOTICE:
CITY OF PALMDALE
827 East Avenue Q-9
Palmdale, CA 93550

APPROVE AS TO FORM:

William P. Curley, III
City Attorney

ATTEST:

Roxanne Faber
Acting City Clerk

PACIFIC WEST SOUND INC.:

Signed: 4/9/2024

Brent Milton
President

ADDRESS FOR NOTICE:
PACIFIC WEST SOUND INC.
521 East 21st Street
Bakersfield, CA 93305

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

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

Record of Signing

For
Name
Title



Signed on 2024-04-09 21:28:40 GMT

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DocumentID: 02wEjxN8JZsdseRKD9R7WD
SigningID: 02wEjxN87US9VmoJ0ZFPZz
Signing date: 4/9/2024
IP Address: 206.171.111.149
Email: ksmith@cityofpalmdale.org

For
Name
Title



Signed on 2024-04-09 22:09:23 GMT

Secured by Concord™
DocumentID: 02wEjxN8JZsdseRKD9R7WD
SigningID: 02wEkxLQssqXtdpevRumFP
Signing date: 4/9/2024
IP Address: 76.176.11.77
Email: brentm@pacificwestsound.com

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1ST AMENDMENT TO AGREEMENT A-7866
BETWEEN THE CITY OF PALMDALE AND PACIFIC WEST SOUND INC.

This 1st Amendment to Agreement No. A-7866 ("Agreement") between the City of Palmdale and PACIFIC WEST SOUND INC. is made and entered into by and between the City of Palmdale (hereinafter called "CITY") and PACIFIC WEST SOUND INC. (hereinafter called "CONTRACTOR"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on July 1, 2022 ("Original Agreement") the CITY and CONTRACTOR entered into an agreement to provide:

Professional audio and design services to support sound production at the Palmdale Amphitheater for City special events and rentals.

WHEREAS, CONTRACTOR desire to amend the Original Agreement to:

Amend description of work, increase contract price and amend fee schedule breakdown of services.

NOW THEREFORE, the parties agree as follows:

1. Section 2 of the Agreement, DESCRIPTION OF WORK, is hereby amended to include:

- Equipment Protection due to Weather: Contractor shall be solely responsible to protect all sound equipment from inclement weather conditions.

- Labor and/or Overtime Fees: Any additional labor and/or overtime fees must be mutually agreed upon in writing prior to service.

2. Section 5 of the Agreement, PRICE, is hereby increased by an additional Twenty-Four Thousand Two-Hundred Dollars ($24,200) and bringing the total amount of the contract to Two-Hundred Sixty-Six Thousand Two-Hundred Dollars ($266,200).

3. Section 5 of the Agreement, PRICE, is hereby amended to the below fee schedule breakdown and is payable as follows:

City Concert and Amphitheater Rentals Package (Complete Line Array)
• 12 L-Acoustics K2 Per Side
• 6 L-Acoustics KS28 Per Side
• 6 L- Acoustics Kara (Front Fills)
• 6 L- Acoustics LA Rack II (Amplifiers)
• Stage Power
• Control Package (Yamaha Consoles)
• Monitor Package (L-Acoustics HiQ 15)
• Stage Package (Stands, Mics, Cabling)
• Other equipment and services must be mutually agreed upon in writing prior to service
• 2 Technicians

• 2 Engineers
• 2 Utility Technicians
• Trucking
• Crew Transport

Package Pricing
YEAR 1: $15,000/Per Event
YEAR 2: $16,500/Per Event
YEAR 3: $18,000/Per Event

City Concert and Amphitheater Rentals Package (Stacked Audio Complete System)
• 4 L-Acoustics K2 Per Side
• 3 L-Acoustics KS28 Per Side
• 4 L- Acoustics Kara (Front Fills)
• 4 L- Acoustics LA Rack II (Amplifiers)
• Stage Power
• Control Package (Yamaha Consoles)
• Monitor Package (L-Acoustics HiQ 15)
• Stage Package (Stands, Mics, Cabling)
• Other equipment and services must be mutually agreed upon in writing prior to service
• 2 Technicians
• 2 Engineers
• Trucking
• Crew Transport

Package Pricing
YEAR 1: $9,000/Per Event
YEAR 2: $9,900/Per Event
YEAR 3: $10,800/Per Event

City Concert and Amphitheater Rentals Package (Racks and Stacks / Complete Line Array Package)
• 12 L-Acoustics K2 Per Side
• 6 L-Acoustics KS28 Per Side
• 6 L- Acoustics Kara (Front Fills)
• 6 L- Acoustics LA Rack II (Amplifiers)
• Stage Power
• Other equipment and services must be mutually agreed upon in writing prior to service
• 2 Technicians
• 2 Engineers
• Trucking
• Crew Transport

Package Pricing
YEAR 1: $12,000/Per Event
YEAR 2: $13,200/Per Event
YEAR 3: $14,520/Per Event

City Concert and Amphitheater Rentals Package (“Racks and Stacks” / Stacked Package)
• 4 L-Acoustics K2 Per Side
• 3 L-Acoustics KS28 Per Side
• 4 L- Acoustics Kara (Front Fills)
• 4 L- Acoustics LA Rack II (Amplifiers)
• Stage Power
• Other equipment and services must be mutually agreed upon in writing prior to service
• 2 Technicians
• 2 Engineers
• Trucking
• Crew Transport

Package Pricing
YEAR 1: $6,300/Per Event
YEAR 2: $6,930/Per Event
YEAR 3: $7,623/Per Event

Kaleidoscope Package (Ground Stack)
• FOH Audio Package
• FOH Control Package (AVID Consoles)
• Monitor Package (L-Acoustics X-15 Hi-Qs)
• Stage Package (Stands, Mics, Cabling)
• Stage Power
• LED Wall (20x12)
• LED Wall Cabling
• LED Wall Programming Laptop (HP ProBook 6470b)
• LED Wall Rigging (Spanset, GacFlex, Sling Link, Steel Shackle, Truss Bolts, Utility Truss)
• Video Village (Streaming Video Switcher, MacBook Pro, Cabling)
• Other equipment and services must be mutually agreed upon in writing prior to service
• 2 Engineers
• 1 Technician
• 1 Utility Technician
• Trucking
• Crew Transport

Package Pricing
YEAR 1: $24,504.40/Per Event
YEAR 2: $26,945.84/Per Event
YEAR 3: $29,650.32/Per Event

Any additional labor and/or overtime fees, such as the below, must be mutually agreed upon in writing prior to service:

Technicians:
$750/10hr min
$112.5/ hr (11th-12th hour)

$150/hr (13th+ hours)

Stage Hands:
$450/10hr min
$67.50/hr (11th-12th hour)
$90/hr (13th+ hours)

See exhibit A for other individual itemized product fees.

4. All other terms and conditions remain in full force and effect.

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

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

CITY OF PALMDALE:

Ronda Perez
Signed: 4/4/2023

Ronda Perez
City Manager

KS
Signed: 4/3/2023

ADDRESS FOR NOTICE:
CITY OF PALMDALE
827 East Avenue Q-9
Palmdale, CA 93550

PACIFIC WEST SOUND INC.:


Signed: 4/4/2023

Brent Milton
President

ADDRESS FOR NOTICE:
PACIFIC WEST SOUND INC.
521 East 21st Street
Bakersfield, CA 93305

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 4/4/2023

William P. Curley, III
Interim City Attorney

ATTEST:

Roxanne Faber
Signed: 4/4/2023

Roxanne Faber
Acting City Clerk

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

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

Record of Signing

For
Name
Title

KS

Signed: 4/3/2023
Signed on 2023-04-03 23:48:40 GMT

Secured by Concord™
DocumentID: NDE5MGRiZWMtN2
SigningID: MzY2M2RkZTYtZD
Signing date: 4/3/2023
IP Address: 206.171.111.149
Email: ksmith@cityofpalmdale.org

For
Name
Title



Signed: 4/4/2023
Signed on 2023-04-04 15:54:37 GMT

Secured by Concord™
DocumentID: NDE5MGRiZWMtN2
SigningID: ZDZhNmIxOTYtNz
Signing date: 4/4/2023
IP Address: 24.199.37.6
Email: brentm@pacificwestsound.com

For
Name
Title

William Patrick Curley III

Signed: 4/4/2023
Signed on 2023-04-04 15:59:24 GMT

Secured by Concord™
DocumentID: NDE5MGRiZWMtN2
SigningID: MDg3Yjk4ZTgtND
Signing date: 4/4/2023
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

For
Name
Title

Ronda Perez

Signed: 4/4/2023
Signed on 2023-04-04 16:33:34 GMT

Secured by Concord™
DocumentID: NDE5MGRiZWMtN2
SigningID: YzgzMjliNjMtNT
Signing date: 4/4/2023
IP Address: 206.171.111.149
Email: rperez@cityofpalmdale.org

For
Name
Title

Roxanne Faber

Signed: 4/4/2023
Signed on 2023-04-04 18:20:51 GMT

Secured by Concord™
DocumentID: NDE5MGRiZWMtN2
SigningID: ZmE3YjgwNzQtMD
Signing date: 4/4/2023
IP Address: 206.171.111.149
Email: rfaber@cityofpalmdale.org

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Signed with www.concordnow.com

ORIGINAL

AGREEMENT NO. A-7866
CONTRACT FOR SERVICES
BETWEEN THE CITY OF PALMDALE AND PACIFIC WEST SOUND INC.

This CONTRACT for services ("Contract" herein) is made and entered into this 1 day of July, 2022, by and between the City of Palmdale, a public body corporate and politic, (hereinafter called "CITY"), and PACIFIC WEST SOUND INC., a a professional audio and design company, (hereinafter called "CONTRACTOR"). The term of this Contract is THREE (3) YEARS, commencing on July 1, 2022, with CITY reserving the option to extend the agreement for 2 additional terms of one year each.

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 Keri Smith 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:

Service & Rentals

The Palmdale Amphitheater is home to the Summer Concert Series (and other concert events. Contractor will provide professional sound equipment for five to six (5-6) live headliner concerts that meet or exceed artist's rider requirements and meets City sound specifications as follows in the below sound requirements section of the scope of work.

The Palmdale Amphitheater is rented throughout the year for an undetermined number of live headliner concerts and community events that require quality sound production services and equipment. These live concerts may vary in scale from medium to grand use. Contractor will use the "standard required house package" as indicated below as a base to enhance equipment and cost as necessary to the renter. Payment for services for rentals with be submitted by renter. City sound specifications are as follows in the below requirements.

Sound Requirements

All sound equipment provided by the Contractor shall be of the highest quality. A line array sound system is required. The control of sound within the venue is essential and the City's acceptable sound level shall not exceed 95 decibels "A" weighted at the mixer location during sound check and performance. Contract shall provide the following:

- Line Array System – Concert Grade (JBL Vertech or V'Dosc) complete system with a minimum of 16 cabinets flown and 8 sub-cabinets.
- Stacked Audio System – Concert grade. Capable of reaching lower-level grass area of the Amphitheater.
- Bid one cost for Line Array System and one cost for Stacked Audio System
- Main and Monitor Amps – Acceptable brands: Crest, Crown, Ashly & Q.S.C.
- House Mixing Console – Acceptable brands: Yamaha: 4K or 5D as required by artist.
- Monitor Console – Yamaha: 4K or 5D as required by artist.
- Monitors – speakers and in-ears as required by artist.
- All necessary outboard gear, processing and insertable.
- All cables needed – Microphone, power cable, snakes (52 channel) sub snakes, etc.
- Complete Power Distribution
- All microphones needed – Includes all necessary microphones, direct boxes, stands and booms per artist's requirements.
- All components, plus CD, playback, etc.
- Clear-Com Communication System or equal system
- Technicians – Standard number of qualified audio engineers experienced in large concert systems needed to set-up and operate system. (Standard number of techs used to properly/efficiently handle load in and load out of all equipment, techs located at sound pad and on-stage during performance to run equipment properly and troubleshoot audio issues without disruption to the show).

Artist Backline

- Ability to meet artist backline requirements as necessary and negotiate backline as City budget allows.

Additional Company/Contractor Required Qualifications

- Contractor shall be a full-service sound company, recognized in the industry featuring a large inventory of state-of-the-art sound equipment.
- Contractor shall specialize in sound installs at outdoor venues for live headliner concerts.
- Contractor shall provide sound and stage equipment that is UL or CSA Certified per OSHA regulations and requirements.
- Contractor shall have the ability to provide a variety of quality sound packages for different types of live concerts ranging from 1,000 to 10,000 people.
- Contractor shall provide quality sound systems that meet the highest industry standards and required City specifications.
- Contractor shall provide technical expertise, superior service and highly skilled production crews to be on-site for duration of event.

- Technicians shall provide an expertly balanced and tuned system per show with the ability to address sound quality problems in a timely manner.

Additional Costs
The Contractor event fees shall include the equipment, fuel, transportation, delivery, set-up, teardown, two spot operators and professional labor necessary to ensure efficient load-in and load-out of own equipment and artist band gear per performance.

Notice of Event Change

Events change throughout the year and may not apply each year. Scheduling of technicians: The contractor agrees to provide technicians for each event on an "as-needed" basis. The City will make every effort to give reasonable notification for its Sound Production requests.

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 60 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:

Brent Milton, President
Steve Grider, VP Business Development
Efrain Flores, Production Manager

661/395-1448

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 ACCEPTANCE AND DOCUMENTATION

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

4.1 **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.

4.2 **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.

4.3 **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.

5 PRICE

CITY shall pay to CONTRACTOR an amount not to exceed Two-Hundred and Forty-Two Thousand dollars ($242000.00) 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:

City Concert/Amphitheater Rentals (House Package) Per Artist:
- Line Array Complete System
  YEAR 1: $12,000.00
  YEAR 2: $13,200.00
  YEAR 3: $14,520.00
- Stacked Audio Complete System
  YEAR 1: $6,300.00
  YEAR 2: $6,930.00
  YEAR 3: $7,623.00

Amphitheater (Grant Use Package) Per Artist:
- Line Array Complete System
  YEAR 1: $15,000.00
  YEAR 2: $16,500.00
  YEAR 3: $18,000.00
- Stacked Audio Complete System
  YEAR 1: $9,000.00
  YEAR 2: $9,900.00
  YEAR 3: $10,800.00

5.1 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.

5.2 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.

5.3 **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.

6 TAXES

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

6.2 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.

6.3 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.

6.4 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.

7 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.

8 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.

9 INSURANCE

9.1 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 9.8, must be reviewed and accepted by the City Attorney**.

9.1.1 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

9.1.2 Commercial General Liability
- $2,000,000.00 limit on a per occurrence basis
- $5,000,000.00 general aggregate limit

9.1.3 Commercial Automobile Liability
- $2,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

9.2 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.

9.3 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.

9.4 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.

9.5 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.

9.6 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.

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

9.8 Acceptable Proof of Insurance:

9.8.1 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.

9.8.2 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.

9.9 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 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.

11 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.

11.1 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.

11.2 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.

11.3 If, after notice of termination of the Contract under the provisions of this Section 11, 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 10.

12 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.

13 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.

14 DELEGATION AND ASSIGNMENT

14.1 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.

14.2 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.

15 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

15.1 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, marital status, sexual orientation, or age. 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, 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.

15.2 The provisions of subsection 15.1 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.

16 FINANCIAL INTEREST CERTIFICATION

16.1 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.

16.2 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.

17 CONFLICT OF INTEREST

17.1 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.

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

17.3 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.

18 COMPLIANCE WITH LAW

18.1 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.

18.2 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 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.

20 ENTIRE AGREEMENT AND AMENDMENTS

20.1 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.

20.2 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.

20.3 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.

21 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:

Steven D. Hofbauer Date
Mayor

PACIFIC WEST SOUND INC.:

3/17/2022

Brent Milton Date
President

ADDRESS FOR NOTICE:
CITY OF PALMDALE
827 East Avenue Q-9
Palmdale, Ca 93550

ADDRESS FOR NOTICE:
PACIFIC WEST SOUND INC.
521 East 21st Street
Bakersfield, CA 93305

APPROVE AS TO FORM:

Christopher L. Beck
City Attorney

ATTEST:

Shanae S. Smith
City Clerk

ATTEST: If Corporation

Secretary

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC SAFETY DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **APPROVE AGREEMENT WITH PHOENIX GROUP INFORMATION SYSTEMS FOR CITATION PROCESSING SOFTWARE AND RELATED SERVICES IN AN AMOUNT NOT TO EXCEED $600,000 FOR A FIVE-YEAR TERM THROUGH NOVEMBER 3, 2031**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-10074 with Phoenix Group Information Systems for citation processing software and related services in an amount not to exceed $600,000 for a five-year term through November 3, 2031; and

2. Authorize the City Manager or his designee to execute Agreement No. A-10074 with Phoenix Group Information Systems, including minimal and/or non-substantial changes.

BACKGROUND

The City of Palmdale contracts for citation processing software and related services to support the administration, processing, adjudication, collection, and resolution of parking citations and administrative citations issued within the City. These services require an integrated system capable of processing citation information from issuance through final resolution, while providing administrative support, public access, payment processing, financial reconciliation, collections, customer service, reporting, and related technical support.

The City issued Request for Proposals (RFP) No. 26-001-2500 on April 21, 2026, through PlanetBids, a nationwide procurement platform, to solicit proposals from qualified firms capable of providing citation processing software and related services. Proposals were due May 21, 2026, following a question-and-answer deadline of May 5, 2026. The City received proposals from three firms, including Phoenix Group Information Systems.

The proposals were evaluated based on the criteria established in the RFP. The results of the proposal evaluation, including the firms' rankings, locations, and proposed costs, are summarized below.

Firm	Ranking	Location	Proposed Annual Cost
Phoenix Group Information Systems	1	Santa Ana, CA 92705	$1,746.97*
Data Ticket, Inc.	2	Irvine, CA 92614	$133,882.83*
FSH Technologies	3	Philadelphia, PA 19107	$85,000.00

*Proposed project costs are subject to change based on citation volume.

None of the firms that submitted proposals were located within the City of Palmdale. Following the City's evaluation process, Phoenix Group Information Systems was selected as the successful proposer based on its highest overall evaluation score. The other proposals received lower scores, primarily due to less substantive and detailed proposal submissions.

The proposed Agreement No. A-10074 would establish a new five-year agreement with a not-to-exceed amount of $600,000 for citation processing software and related services. Under the proposed agreement, Phoenix Group Information Systems would continue to provide comprehensive citation processing and payment services for parking citations and administrative citations.

The new Agreement would replace the City's existing agreement with Phoenix Group Information Systems, which expired on November 3, 2026, providing continuity of citation processing services without interruption.

DISCUSSION

Approval of the proposed agreement will allow the City to continue citation processing and payment services necessary to support the administration and resolution of parking citations and administrative citations. These services support timely and consistent processing of citations, payment collection, adjudication, customer service, and related administrative functions.

Phoenix Group Information Systems has provided citation processing services to the City under the existing agreement and has familiarity with the City's citation processing requirements and operations. Continuing with the same provider following the City's competitive procurement process will support continuity of service and minimize disruption to ongoing citation processing activities.

Maintaining these services supports the City's ability to efficiently administer citation programs, provide accessible payment and customer service options, and ensure the timely processing and reconciliation of citation-related transactions.

FISCAL IMPACT

$600,000; Funds are available in the FY 2026-27 Information Technology Software Agreement account. Sufficient funds will be requested in each subsequent fiscal year's 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.

Prepared by:	Michael McComas, Director of Public Safety
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Agrmt No. A-10074 with Phoenix Group Information Systems
Exh A – Scope of Work
Exh B – Cost Proposal

AGREEMENT NO. A-10074
CONTRACT FOR SERVICES
BETWEEN THE CITY OF PALMDALE AND PHOENIX GROUP INFORMATION SYSTEMS

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 PHOENIX GROUP INFORMATION SYSTEMS, a C-Corporation , (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 Michael McComas, Director of Public Safety 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 CONTRACTOR shall provide comprehensive citation processing and payment services for parking citations and administrative citations, from issuance through final resolution as provided by Exhibit A - Scope of Work. Services shall include, at a minimum:

A. General Information Processing
B. Data Processing
C. Correspondence Processing
D. Adjudication Processing
E. Equipment and Software
F. Software System Requirements
G. Online Public Access
H. Financial Deposits and Reconciliation
I. Collections Processing
J. Customer Service Center
K. Reporting and Invoicing
L. Implementation, Training, and Support

The following Exhibits are attached hereto and incorporated by this reference:
 Exhibit A – Scope of Work
 Exhibit B – CONTRACTOR's Cost Proposal

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 30 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:

Robert T. Murphy, President
Claire Murphy, Vice President & Project Manager
Ersin Kivilcim, Director of Information Technology
Mallesh Kunchakurthi, Software Engineer
Raquel Belman, Client Relations Director
Alma Mozo, Administrative Lead & Accounting Supervisor
Cathy Garcia, Permit Technical Specialist
Belen Crisostomo, Operations Supervisor

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.

3.4 Standards of Performance. CONTRACTOR 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. CONTRACTOR 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.

3.5 This Contract is subject to Government Code section 84308, as amended by Senate Bill 1439 (2022), Senate Bill 1181 (2024), and Senate Bill 1243 (2024). CONTRACTOR shall disclose any contribution to an elected or appointed CITY official's campaign or committee in an amount of more than five hundred dollars ($500) made within 12 months preceding the Commencement Date, by CONTRACTOR, its, her, or his agent, or another party affiliated with CONTRACTOR.

3.6 All data provided to or collected by CONTRACTOR under this Contract, including citation, DMV, payment, and personal information ("City Data"), is CITY's property and confidential. CONTRACTOR shall use City Data only to perform this Contract and shall not sell or disclose it except as required by law. CONTRACTOR shall protect City Data using industry-standard safeguards, including encryption, access controls, and background checks for personnel with access. CONTRACTOR shall comply with applicable state and federal laws and regulations regarding the protections of such data. CONTRACTOR shall notify CITY within forty-eight (48) hours of any actual or suspected unauthorized access to City Data. At the end of this Contract, CONTRACTOR shall deliver all City Data to CITY in a usable format.

4 CONTRACT TERM

The term of this Contract is five (5) years, commencing on the effective date, with CITY reserving the option to extend the agreement for two (2) additional terms of one year each.

5 ACCEPTANCE AND DOCUMENTATION

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

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

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

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

6 PRICE

CITY shall pay to CONTRACTOR an amount not to exceed six hundred thousand dollars ($600000.00) 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:

CONTRACTOR shall be compensated in accordance with the rates set forth in Exhibit B – Cost Proposal.

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.In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Contract exceeds ten thousand dollars, all such documents and this Contract shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under the Contract.

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, and shall at all times remain as to CITY, a wholly independent contractor. CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of CITY or otherwise to act on behalf of CITY as an agent. CONTRACTOR, its officers, employees and agents shall not have any power to bind or commit the CITY to any decision or course of action, and CONTRACTOR, its officers, employees and agents shall not represent to any person or party that it or they are acting as agents of the CITY or that it or they have the power to bind or commit the CITY. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as set forth in this Contract. CONTRACTOR shall not represent that it is, or that any of its agents or employees are, in any manner employees of CITY.

Under no circumstances shall CONTRACTOR look to the CITY as its employer. CONTRACTOR shall not be entitled to any benefits. CITY makes no representation as to the effect of this independent contractor relationship on CONTRACTOR's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and CONTRACTOR specifically assumes the responsibility for making such a determination. CONTRACTOR shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation, and other applicable federal and state taxes.

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.

In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

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)*
$2,000,000.00 per occurrence

10.1.5 Cyber Liability*

$1,000,000.00 per occurrence

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, Housing Authority, Industrial Development Authority, Airport Authority, their officers, agents, employees and volunteers are named as additional insured”.

B. “Severability of Interest” Clause.

The insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer’s liability.
The inclusion of the City and its officers, employees, agents, and volunteers as
additional insureds shall not affect any rights the Contractor has under the policy, nor shall it limit the insurer’s ability to deny coverage to any insured based on that insured’s own acts or omissions.

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 and/or Cyber 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 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. Such Work Product is deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement.

15 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.

16 DELEGATION AND ASSIGNMENT

16.1 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.

16.2 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.

17 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

17.1 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.

18 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.

19 FINANCIAL INTEREST CERTIFICATION

19.1 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.

19.2 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.

20 CONFLICT OF INTEREST

20.1 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.

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

20.3 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.

21 COMPLIANCE WITH LAW

21.1 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.

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

21.3 If applicable, CONTRACTOR acknowledges and understands it must comply with the prevailing wage requirements under the California Labor Code, as well as the execution of a Worker's Compensation Certificate.

22 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.

23 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.

24 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.

25 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.

26 ENTIRE AGREEMENT AND AMENDMENTS

26.1 All documents referenced as exhibits in this Contract are hereby incorporated into this Contract. In the event of any material discrepancy between the provisions of this Contract and those of any document incorporated herein by reference, the provisions of this Contract shall prevail. This instrument contains the entire Contract between CITY and CONTRACTOR with respect to the transactions contemplated herein. No other prior oral or written Contracts are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on behalf of the CITY and CONTRACTOR. 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.

26.2 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.

26.3 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.

27 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
Michael J McComas
Oct 22, 2026, 11:30 AM PDT

PHOENIX GROUP INFORMATION SYSTEMS:
Claire Murphy
Oct 28, 2026, 3:01 PM PDT

Claire Murphy
Vice President

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38256 Sierra Highway
Palmdale, CA 93550

ADDRESS FOR NOTICE:
PHOENIX GROUP INFORMATION SYSTEMS
2677 N. Main Street, Suite 440
Santa Ana, CA 92705

APPROVE AS TO FORM:

Aleks Giragosian
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	
Name	Michael J McComas	Name	Claire Murphy
Title	Director of Public Safety	Title	



Signed on Oct 22, 2026 11:30 AM PDT

Secured by Concord™
DocumentID: 034kTXHHwRL5IWyksnTzD4
SigningID: 034kTXGl5gsTo41Tc17GYW
UTC Signing time: 2026-10-22 18:30:44 UTC
IP Address: 45.62.177.244
Email: mmccomas@cityofpalmdaleca.gov



Signed on Oct 28, 2026 3:01 PM PDT

Secured by Concord™
DocumentID: 034kTXHHwRL5IWyksnTzD4
SigningID: 034nykkntrtu08JlJmJuK9
UTC Signing time: 2026-10-28 22:01:56 UTC
IP Address: 172.112.202.116
Email: claire@phxgis.com

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EXHIBIT A
SCOPE OF WORK

I. OBJECTIVE

The CITY of Palmdale ("CITY") seeks to contract with a highly qualified and experienced vendor ("CONTRACTOR") to provide end-to-end citation processing and payment services, including a fully integrated electronic citation issuance and management system for the CITY's Public Safety Department.

The selected CONTRACTOR shall demonstrate expertise in citation processing systems and services that support the full citation lifecycle, including but not limited to: General Information Processing, Data Processing, Correspondence Processing, Financial Deposits and Reconciliation, Adjudication Processing, Collections Processing, and Restitution Processing.

The CITY intends to select a CONTRACTOR capable of delivering a secure, user-friendly, and compliant solution that improves operational efficiency, enhances public access, and ensures accurate financial accountability.

II. REQUIREMENTS

The CONTRACTOR shall provide comprehensive citation processing and payment services for parking citations and administrative citations, from issuance through final resolution.

Services shall include, at a minimum:

A. General Information Processing

B. Data Processing

C. Correspondence Processing

D. Adjudication Processing

E. Equipment and Software

F. Software System Requirements

G. Online Public Access

H. Financial Deposits and Reconciliation

I. Collections Processing

J. Customer Service Center

K. Reporting and Invoicing

L. Implementation, Training, and Support

The CONTRACTOR shall designate a dedicated Account Manager to serve as the CITY's primary point of contact for all contractual, operational, and performance matters.

The CONTRACTOR shall provide secure, web-based public access services, including:

- Online citation lookup;
- Online payment processing;
- Online appeal submission and status tracking.

The designated Account Manager shall be responsible for day-to-day coordination, task delegation, issue resolution, and ensuring all contract performance standards and timelines are met.

The CONTRACTOR shall ensure all staff assigned to this contract are adequately trained and qualified to perform required services with a high degree of accuracy and minimal human error.

The CONTRACTOR shall provide the CITY with comprehensive system documentation, including a user's manual that:

- Provides step-by-step instructions for system access and use;
- Describes all system fields, screens, and functions;
- Includes a complete list and explanation of all codes used by the issuing agency, including status codes, error codes, abbreviations, internal shorthand, and any other codes or identifiers displayed within the system that a user may need to interpret.

The CONTRACTOR shall ensure that the citation processing system fully integrates with the CITY's existing code enforcement case management platform, GOGov. Integration shall support bidirectional data exchange, enabling synchronization of case data, citation records, status updates, compliance actions, and associated documentation in real time or near real time.

This integration requirement is a core system dependency and shall apply across all applicable sections, including issuance, processing, adjudication, and reporting.

A. GENERAL INFORMATION PROCESSING

The CONTRACTOR shall perform General Information Processing services, which shall include, but not be limited to, the following:

- Opening and processing all incoming correspondence related to citations;

- Reviewing correspondence to determine required actions;
- Recording actions taken within the CONTRACTOR's citation management system (e.g., temporary suspension, correspondence issued, escalation, etc.);
- Taking appropriate actions to resolve complaints or inquiries and forwarding items to the CITY when required or as requested;
- Implementing control and monitoring procedures to ensure all correspondence and payments are processed to completion;
- Conducting quality control reviews to ensure accuracy, completeness, and compliance with required deadlines;
- Providing the CITY, upon request and at no additional cost, with an operations manual and management information system (MIS) reports in electronic and/or hard-copy format;
- Providing a designated mailing address for all CITY of Palmdale Public Safety citation correspondence and payments, with mail retrieval occurring at least once per business day;
- Providing a bonded courier service to transport batched citations, correspondence, and management reports to and from CITY-designated locations as required.

B. DATA PROCESSING

The CONTRACTOR shall perform comprehensive Data Processing services, which shall include, but not be limited to, the following:

- Uploading electronic citations into the citation management system within one (1) business day of issuance, unless a real-time citation issuance application is provided.
- Providing the CITY with online confirmation and reporting indicating the number of citations transmitted, received, and successfully processed by the CONTRACTOR.
- Maintaining full system compatibility with CITY-approved handheld citation devices, including the ability to upload and store all citation data fields without data loss.
- Coordinating and implementing any required changes to citation policies, system configurations, or equipment in collaboration with the CITY and/or the handheld citation device vendor.

- Performing immediate batching and system integration of citation data upon receipt or transfer.
- Entering handwritten parking and administrative citations, or scanned images thereof, into the system within two (2) business days of receipt from the CITY's Public Safety Department.
- Filing, indexing, and securely storing citation records in an easily retrievable format, in accordance with the CITY's records retention requirements and applicable laws.
- Retrieving registered owner information for both in-state and out-of-state license plates in a timely and accurate manner.
- Validating vehicle make information received from the Department of Motor Vehicles (DMV) against registered owner data to ensure citation accuracy.
- Tracking and resolving DMV "No Hit" records to verify that license plate numbers and issuing states are correctly entered into the system.
- Maintaining secure electronic communications with all 50 state DMV agencies and appropriate transportation authorities in Canada and Mexico, as required.
- Placing and releasing DMV registration holds on delinquent citation accounts in accordance with applicable laws and CITY policies.
- Providing monthly reports detailing DMV holds placed, payments received, and holds released.
- Releasing registration holds upon the CITY's request.
- Maintaining authorized editing capabilities to:
    - Correct citation dates;
    - Suspend or reinstate citations;
    - Correct violation codes and fine amounts;
    - Enter and update citation comments; and
    - Upload miscellaneous correspondence and related documents.
- Identifying and flagging duplicate citations for review and resolution.
- Maintaining and updating a boot/tow eligibility database for vehicles that have accumulated five (5) or more delinquent parking citations, including citations issued by other agencies that are authorized in writing and are clients of the CONTRACTOR.

- Maintaining and updating a confidential exemption database, as authorized by the CITY, that integrates with handheld citation devices.
- Ensuring continuous Internet connectivity during normal business hours when the citation processing system and all subsystems are available for use by the CITY and the public.
- Maintaining system availability of at least 98% per month, excluding scheduled maintenance. The CONTRACTOR shall provide objective, mutually agreeable performance metrics and reporting methods to allow the CITY to monitor system availability.
- Updating citation records in real time, including the ability to add notes and comments to individual citation records.
- Posting payment information from all payment sources within twenty-four (24) hours of receipt, and no later than the close of the next business day.
- Tracking and managing the status of payments, re-entered payments, change of ownership declarations, non-ownership declarations, refunds, correspondence, administrative reviews, and hearing processes.
- Processing online payments and hearing requests via a CITY-approved website link, including functionality that allows both the citation recipient and the CITY to upload supporting documents and electronic files.
- In accordance with California Vehicle Code (CVC) Section 40200.3(b), preparing and delivering to the CITY an annual report at the close of each fiscal year that details the following:
    - The total number of cases processed;
    - All citation-related revenues received and distributed; and
    - Any additional information required by the CITY or issuing authority.
    - This report shall be considered a public record. Upon the CITY's request, and subject to the CITY's written approval of cost, the CONTRACTOR shall retain an independent auditor to prepare the report, with audit costs paid by the CITY.
- Integrating citation data with the CITY's code enforcement case management system, GOGov, including automated data exchange for case creation, citation issuance, status updates, ownership information, and resolution outcomes.

C. CORRESPONDENCE PROCESSING

The CONTRACTOR shall perform comprehensive Correspondence Processing services, which shall include, but not be limited to, the following:

- Ensuring adequately trained staff, including multilingual and translation capabilities, are available to promptly process and respond to all incoming correspondence within two (2) business days of receipt, as measured from the date and time received.
- Preparing, generating, and mailing all required notices and correspondence, including, but not limited to:
    - First notices;
    - Delinquent notices;
    - Final notices;
    - Collection notices;
    - Returned check notices;
    - Partial payment notices;
    - DMV registration hold and release letters;
    - Administrative review result letters;
    - Administrative hearing schedule letters;
    - Administrative hearing result letters;
    - Payment arrangement confirmations; and
    - Any other notices required by the California Vehicle Code (CVC) or Palmdale Municipal Code (PMC).
- Sorting, batching, and logging all incoming correspondence by postmark date to ensure accurate payment posting and timely processing. Envelopes shall be retained and maintained as part of the official citation record.
- Formatting and mailing all notices and correspondence using custom #10 window envelopes displaying the CONTRACTOR's return address. Interior #9 envelopes shall be customized with the CITY's address and post–NET bar-coded with FIM, in compliance with United States Postal Service (USPS) requirements.
- Processing correction requests and issuing correction notices, as appropriate, including notifying the CITY of any citations that cannot be processed due to missing, incomplete, or incorrect information.

- Generating customized correspondence for incomplete, invalid, or incorrect payments, as well as for citations requiring additional information or follow-up action.
- Forwarding to the CITY, in a timely manner, any correspondence that falls outside the scope of CONTRACTOR services or requires special handling, policy interpretation, or CITY review.
- Maintaining complete correspondence records within the citation management system, including the ability to associate all incoming and outgoing correspondence with individual citation cases.
- Supporting the CITY's existing case-level tracking of escalated fees and providing scalable system capabilities that allow for configurable fee tracking, enhanced reporting, and potential violation-level tracking functionality, subject to CITY direction and system configuration.

D. ADJUDICATION PROCESSING

The CONTRACTOR shall perform comprehensive Adjudication services in accordance with applicable provisions of the California Vehicle Code (CVC), the Palmdale Municipal Code (PMC), and all other applicable laws, which shall include, but not be limited to, the following:

- Coordinating the administrative review process in accordance with prescribed statutory timelines and procedures for individuals contesting parking citations.
- Coordinating and scheduling written and in-person administrative hearings for contested parking and administrative citations, conducting hearings at the CITY's designated location and scheduling them within three (3) weeks of the request.
- Preparing, compiling, and organizing all case-related documentation, and assembling electronic or hard-copy case files for delivery to the appropriate hearing location, hearing officer, or processing CITY employee.
- Distributing administrative hearings in a manner that evenly balances workflow and supports efficient utilization of hearing officer resources.
- Responding to individuals submitting parking adjudication requests online at the first and/or second levels by electronic mail for convenience and by regular mail as required for CVC compliance.
- Providing electronic confirmation receipts for all payments, administrative review requests, and hearing requests submitted online no later than the next business day.

- Providing real-time online hearing scheduling capabilities for individuals submitting hearing requests via the Internet, including displaying available dates and times and issuing email confirmations specifying the date, time, location, and applicable instructions for each contested citation.
- Maintaining an online hearing schedule that is accessible to the CITY and the hearing officer, sortable by date, and displaying the time of hearing, name of the requesting party, citation number, license plate number, and violation code. The schedule shall be updated in real time to reflect newly scheduled, rescheduled, or canceled hearings.
- Receiving hearing officer decisions electronically and confirming receipt of transmitted case dispositions in real time. The CONTRACTOR shall coordinate with the hearing officer to ensure accurate transmittal of all case disposition data in accordance with CITY instructions.
- Providing weekly status reports to the CITY and the hearing officer, via electronic mail and/or hard copy, identifying cases for which no decision has been entered and that have remained outstanding for seven (7) days or more.
- Issuing hearing decision notifications to individuals contesting citations in the manner requested, either by first-class mail or electronic mail, in compliance with applicable legal requirements.
- Generating comprehensive Management Information System (MIS) reports for parking and administrative citations, including, but not limited to:
    - Outstanding correspondence (beginning backlog);
    - Total correspondence received;
    - Total correspondence processed;
    - Remaining correspondence (ending backlog);
    - Unresolved correspondence;
    - Citations transmitted;
    - Citations received;
    - Administrative reviews requested;
    - First-level administrative reviews assigned, completed, and outstanding;
    - First and second-level administrative hearing requests received;
    - Administrative hearings assigned to docket;

    - Administrative hearings completed with disposition; and
    - Administrative hearings outstanding without disposition.
- Utilizing document imaging technology to electronically capture, store, and transmit case files received by the CONTRACTOR and forwarded to the hearing officer pending final disposition.
- Tracking all citations and related disposition data and providing daily reporting updates to the CITY.

E. EQUIPMENT AND SOFTWARE

CONTRACTOR shall provide leased handheld computers/ticket-writers, associated software, and all required maintenance services for the duration of this Agreement.

CONTRACTOR shall utilize Apple devices for all mobile citation equipment to ensure compatibility, reliability, and security with CITY's information technology systems and standards.

CONTRACTOR shall provide additional handheld computers/ticket-writers upon request by the CITY. Prices for additional units shall be fixed for each annual term. The CITY may request additional units of the same model, provided the model is still available. If the requested model is no longer available, the CITY and CONTRACTOR shall negotiate an acceptable alternative. Costs for these additional units may be purchased at current market value.

CONTRACTOR shall provide warranty options to the CITY for extended maintenance coverage of all handheld computers.

Handheld Computer / Ticket-Writer Requirements:

- All equipment shall be new; refurbished units shall not be accepted.
- Units shall be a single-piece device with a built-in printer capable of producing legible citations in all weather conditions, including rain. The CITY may opt to use a two-piece unit based on technology and capabilities.
- Batteries shall provide a minimum of twelve (12) hours of operation per charge or be swappable during shifts.
- Units and batteries shall operate reliably in temperatures ranging from -4°F to 122°F.
- Units shall be ruggedized to withstand a five (5) foot drop onto concrete or asphalt while maintaining full functionality.

- Keyboard shall consist of 26 alpha and 10 numeric keys, or QWERTY layout per CITY selection, and shall include backlighting.
- Units shall provide auto-fill functionality and reprogrammable keys.
- Units shall support scofflaw uploading capabilities and alert notifications.
- Units shall include an integrated color camera with flash.
- Units shall be GPS-enabled.
- Units shall be WiFi-enabled.
- Units shall feature a minimum 320 x 240 resolution color display.
- Units shall include at least 128MB RAM and 512MB Flash RAM.
- Units shall operate on Windows CE 5.0 or higher.
- Units shall provide background audio recording capability while other features or programs are in use.
- Units shall support automated transfer and upload of issued citations into the citation management system.

Payment Processing Device Requirements:

- Any handheld device or associated equipment capable of capturing payment card data or processing payment transactions, if applicable, shall maintain current compliance with applicable Payment Card Industry Data Security Standards (PCI-DSS) and PCI device security requirements. The CONTRACTOR shall ensure that all such devices are monitored for compliance status and are replaced or upgraded prior to the expiration of their PCI compliance certification.

F. COMPUTER SYSTEM REQUIREMENTS

CONTRACTOR shall maintain a computer system capable of processing an average of at least 10,000 electronic citations per year for the CITY. The system shall be available a minimum of 20 hours per day, seven (7) days per week.

CONTRACTOR shall provide the CITY with Internet access to its own citation databases. The system shall support real-time Internet inquiry functions, reflecting immediate changes in account status visible to both the CITY and the public.

CONTRACTOR shall designate computer staff and coordinate with the CITY's Information Technology representative during the contract's implementation phase to address connectivity and network security issues. CONTRACTOR shall correct, at no cost to the CITY, all system malfunctions or errors.

CONTRACTOR's computer system shall allow the CITY to search citations by citation number, issue date, responsible party or registered owner name, driver license, license plate, and location. The system shall be capable of storing, sorting, and processing the following items for both Parking Citations and Administrative Citations:

- Comments or notes field capable of holding unlimited entries from the processing or issuing agency
- Citation number
- Date and time of issuance
- Badge number and name of issuing officer and witnessing officer
- Violation codes and descriptions
- Location of violation
- Citation penalty amount, including the ability to track and apply escalating fines for multiple violations of the same type
- Delinquent date
- Notification issuance dates
- Delinquent fines
- Date the citation was entered into the system
- Disposition codes
- GIS mapping functions for scofflaw tracking, multiple violators, or office productivity
- Settlement agreements, including:
    - Identifying and tracking citations associated with approved fee waivers or settlement agreements.
    - Processing requests for fee waivers or settlement agreements for administrative hearings and forwarding them to the CITY after all required information is received.
    - Processing payment plans as directed by the CITY.

The following fields are required for each type of citation:

Required Citation Fields	
Parking Violations	Administrative Violations
Vehicle license number	Respondent name (first, middle, last, suffix)

Vehicle identification number (VIN) Vehicle license state code Registration expiration month and year Vehicle make/model/year/color Department of Motor Vehicle (DMV) hold date • System shall process DMV lien holds for non-payment of parking penalties • System shall interface with DMV online or by magnetic tape Registered owner information • System shall store previous and current owners when ownership transfers occur • System shall store registered owner and contesting party when the person contesting is not the registered owner Integrated real-time DMV access for registered owner information and disabled placard data	Respondent residence address, CITY, state, zip code Respondent driver's license number, state, expiration year Respondent telephone number, including area code Case, incident, and/or tag number Juvenile option (Y/N) Parent/guardian information Date of birth Linking of previous violations to allow escalation of fees

The CONTRACTOR's system shall provide secure API-based or equivalent integration capabilities to interface with the CITY's existing code enforcement case management system, GOGov. The integration shall include, at a minimum:

- Real-time or scheduled synchronization of case and citation data;
- Ability to link citations to active code enforcement cases;
- Sharing of notes, documents, images, and case history;
- Status updates reflecting compliance, hearings, payments, and case closure;
- Role-based access controls and audit tracking across integrated systems.

System Security and SaaS Requirements:

The CONTRACTOR shall provide a secure, cloud-based (Software-as-a-Service, or SaaS) system architecture, where applicable, that meets industry-standard security and compliance requirements. At a minimum, the system shall:

- Provide the CITY with annual proof of security audit certification, including ISO/IEC 27001 and/or AICPA SSAE 18 SOC 2 compliance;
- Ensure data encryption in transit and at rest using industry-standard encryption protocols;
- Support role-based access controls to restrict system access based on user roles and responsibilities;
- Be compatible with Windows 11 operating systems, where applicable to CITY users;
- Support multi-factor authentication (MFA) for all system users;
- Integrate with the CITY's identity management system, including Azure Active Directory (Microsoft Office 365), where applicable; and
- Support Single Sign-On (SSO) for all systems requiring user authentication. The system shall integrate with the CITY's identity provider and allow users to authenticate using their Microsoft Office 365 credentials. Solutions that do not support SSO shall be considered non-responsive to the CITY's security and access management requirements.

G. ONLINE PUBLIC ACCESS

CONTRACTOR shall provide the CITY with a web-based, Software-as-a-Service (SaaS) platform that enables secure public access to citation information. The CONTRACTOR shall provide the CITY with a web link and QR code that allows the public to access citation information.

CONTRACTOR shall ensure that online public access services include, at a minimum, the following functions:

- Viewing parking and administrative citation information, including photographs where applicable;
- Making payments using VISA and MasterCard;
- Submitting Administrative Review requests, with the ability to attach supporting documents;
- Submitting Administrative Hearing requests;
- Viewing citation status in real time;

- Searching for citation information by citation number, license plate number, or driver's license number; and
- Where applicable, providing integrated or linked public access between citation records and related code enforcement cases maintained in GOGov, as approved by the CITY.

The SaaS platform shall implement appropriate security controls for all public-facing and administrative access, including data encryption in transit and at rest.

For administrative or CITY user access to the system, the platform shall support Single Sign-On (SSO) and integrate with the CITY's identity provider, including Azure Active Directory (Microsoft Office 365), allowing authorized users to authenticate using CITY-managed credentials.

H. FINANCIAL DEPOSITS AND RECONCILIATION

The CONTRACTOR shall perform comprehensive Financial Deposits and Reconciliation services, which shall include, but not be limited to, the following:

- Providing a dedicated Post Office Box for the CITY for receipt of payments, administrative review correspondence, administrative hearing correspondence, payment arrangement applications, and other related documents.
- Providing a secure lockbox management system for payment processing, with mail retrieval occurring at least once per business day.
- Sorting, batching, and logging all incoming mail by postmark date to ensure accurate and timely payment posting and processing.
- Opening, entering, verifying, and processing all payments within one (1) business day of receipt, including recording suspension dates, verifying payment amounts, updating the citation management system, and preparing daily bank deposits.
- Reconciling, daily, all payments entered into the system against corresponding bank deposits.
- Reporting all daily bank deposits to the CITY and ensuring deposits are made within twenty-four (24) hours of payment processing.
- Filing, indexing, and securely storing all source documents in an easily retrievable system accessible to the CITY within two (2) business days of request.
- Tracking and managing rebilling activities related to partial payments, checks returned for insufficient funds (NSF), vehicle change of ownership declarations, and re-entered citations for payment processing.

- Accepting payments via Internet-based platforms approved by the CITY and updating the citation management system in real time upon receipt and authorization.
- Accepting payments through an automated telephone payment system that provides secure transaction processing and real-time system updates.
- Providing payment processing by credit card (VISA and MasterCard), including securing immediate authorization from the applicable banking institution and updating the citation management system in real time upon authorization.
- Entering, processing, verifying, and updating all forms of payment within one (1) business day, including credit cards, checks, cash collected through the lockbox, online payments, and payments processed through the CITY's cashiering system, in accordance with accepted financial management practices.
- Depositing authorized credit card funds into the CITY's designated bank account monthly, as applicable, in accordance with established financial procedures.
- Maintaining certification in compliance with the latest Payment Card Industry Data Security Standards (PCI-DSS) to ensure that all credit and debit card transactions conducted by telephone, in person, or via the Internet meet current industry security requirements. Proof of compliance shall be provided with each proposal and maintained throughout the term of the contract.
- Supporting the CITY's option to utilize either the CITY's credit card merchant account or the CONTRACTOR's merchant account, as directed by the CITY.
- Reporting credit card payments by merchant identification (ID) number on a monthly statement, including citation number and payment amount details.
- Updating monthly payment information with the Department of Motor Vehicles (DMV) through secure electronic reporting processes.
- Transporting all monies received to the CITY's designated depository, at no cost to the CITY, within one (1) business day of receipt, with deposits made to the CITY's designated financial institution, currently Bank of America, unless otherwise directed by the CITY.
- Reconciling all funds prior to preparation of daily deposits to ensure accuracy and completeness.
- Generating notices for partial payments, returned checks, and related account deficiencies.

- Investigating and reconciling all cash overages and shortages on the business day of the deposit and reporting findings to the CITY.
- Tracking partial payments, non-payment of approved payment plans, and checks returned for insufficient funds.
- Providing documentation to the CITY within seventy-two (72) hours of confirmation that a case has been dismissed and/or an overpayment has occurred to facilitate refund processing.
- Storing and maintaining all payment information in a secure and retrievable format to support special collections efforts and credit reporting services, if required.
- The CONTRACTOR's system shall provide integration capabilities with the CITY's financial Enterprise Resource Planning (ERP) system, Tyler Technologies Munis, to support automated or semi-automated reconciliation of payment, deposit, and refund data. The CONTRACTOR shall clearly identify whether integration is available via API, flat-file transfer, or other electronic methods, or whether reconciliation will require manual processing workflows. Any manual reconciliation process shall be fully documented and subject to CITY approval.
- Any CONTRACTOR-provided device or equipment capable of capturing payment card data or processing payment transactions, if applicable, shall maintain current compliance with applicable Payment Card Industry Data Security Standards (PCI-DSS) and PCI PIN Transaction Security (PTS) device requirements. The CONTRACTOR shall ensure such devices are continuously validated for compliance and shall replace or upgrade any device prior to the expiration of its PCI certification. Documentation of compliance shall be provided to the CITY upon request.

I. COLLECTIONS

CONTRACTOR shall conduct collections on delinquent citation accounts. Collection activities may be performed directly by the CONTRACTOR or through a subcontracted collection agency, by sending delinquent accounts to the Franchise Tax Board Intercept Program on behalf of the CITY.

The duties and tasks of Collections shall include, but not be limited to, the following:

- Sending special collection notices to delinquent account holders;
- Making written and telephone contact for each account within sixty (60) days of receipt, including providing a detailed description of steps to be taken upon receiving an account from the CITY and procedures to be followed for each account;

- Conducting searches to accurately locate and pursue debtors, including, but not limited to, skip tracing for individuals and fictitious business name searches for business owners of delinquent accounts;
- Performing daily reconciliation of all payments made to the collection agency;
- Performing daily reconciliation of all payments received on collection cases handled by the agency;
- Providing monthly reports detailing the status of collection cases, including the total debt, payments received, and the remaining balance due;
- Ensuring the confidentiality, security, and protection of all files, documents, and computer records related to collection activities;
- Not accepting or settling any principal amounts or making changes to accounts without the prior written approval of the CITY, and notifying the CITY of any proposed settlements;
- At the CITY's request, annually sending a file of delinquent accounts to the Franchise Tax Board Intercept Program;
- CONTRACTOR shall be responsible for preparing, completing, and submitting Form FTB 2280 PC (Intent to Participate and Agency Certification) annually on behalf of the CITY, or ensuring submission through its designated collection agency where applicable. CONTRACTOR shall coordinate with the CITY to ensure timely execution, accuracy, and continued eligibility for participation in the Franchise Tax Board Intercept Program. CONTRACTOR shall provide the CITY with copies of all submitted forms and written confirmation of acceptance by the Franchise Tax Board within ten (10) business days of submission; and
- CONTRACTOR shall also prepare, execute, and submit Form FTB 7904 (Confidentiality Statement) as required by the Franchise Tax Board for all authorized personnel, subcontractors, or agents with access to confidential taxpayer or debtor information. CONTRACTOR shall ensure that all individuals handling CITY delinquent accounts have current and valid confidentiality certifications on file prior to being granted system or data access. CONTRACTOR shall maintain records of all executed confidentiality statements and provide such documentation to the CITY upon request within five (5) business days.

CONTRACTOR shall cease all collection activity on parking citations older than five (5) years from the date of citation issuance. On a monthly basis, CONTRACTOR shall provide the CITY with a report identifying parking citation cases approaching the five-year cutoff within the next month. All citations reaching the five-year limit shall be closed, and associated case information returned to the CITY.

The CITY shall determine the criteria for referring accounts to the CONTRACTOR for collection.

J. CUSTOMER SERVICE CENTER

The CONTRACTOR shall perform comprehensive Customer Service Center services, which shall include, but not be limited to, the following:

- Providing the CITY with a dedicated toll-free telephone line staffed and operational Monday through Friday to accept payments and respond to inquiries.
- Providing well-trained, professional, and courteous customer service personnel capable of performing clerical, supervisory, and managerial tasks in compliance with the approved operations and quality assurance plan.
- Staffing and/or rerouting calls in the event of a disruption to the computer network to ensure continuity of service.
- Responding to correspondence and calls in English and Spanish, and providing language interpretation services on an as-needed basis. The CONTRACTOR shall provide live interpreters for telephone calls and ensure a turnaround time of no more than twenty-four (24) hours for correspondence requiring translation.
- Monitoring and recording calls for quality assurance purposes and contract performance compliance.
- Operating a customized Automated Voice Response (AVR) system in English and Spanish to accept payments and provide citation information. The AVR system shall provide real-time information for each citation, including issue date, delinquent date, amount owed, and open citations by license plate number, and shall include instructions on how to pay or contest citations. The system shall provide callers the option to transfer directly to a live customer service representative during normal business hours.
- Monitoring the telephone system during business hours to ensure proper functionality and service levels.
- Maintaining and monitoring recorded files of all conversations to ensure quality assurance standards and contract performance levels are met.
- Providing the CITY with access to a computerized or digital call-recording system that attaches recorded calls to individual citation records.
- Producing monthly telephone performance reports for the CITY, including, but not limited to:

- Total number of incoming calls;
- Total number of calls processed;
- Total number of calls handled by the Automated Voice Response system;
- Total number of calls handled by customer service representatives;
- Average wait time per call; and
- Average call duration, including highest and lowest call times.

- Adjusting staffing levels as necessary based on call volume and average wait times to maintain established service standards.

K. REPORTING AND INVOICING

The CONTRACTOR shall perform comprehensive Reporting services, which shall include, but not be limited to, including with each monthly invoice a detailed report reflecting monthly activity in the categories identified below.

1. Citations Issued and Adjudication Activity
    - The number of citations issued electronically (handheld), by date;
    - The number of citations issued manually (handwritten), by date;
    - The number of in-person administrative hearings conducted, including outcomes, by date; and
    - The number of written declarations received, including outcomes, by date.
2. Electronic Payment Activity
    - The number and dollar amount of citations paid by telephone, by date;
    - The number and dollar amount of citations paid via Internet, by date; and
    - The total merchant account processing fees associated with web-based and telephone payments.
3. Payment Activity Processed by the CITY
    - The number and dollar amount of citations processed directly by the CITY.

4. Collections Activity

    - The number of citations referred to a collections agency;
    - The number and dollar amount of out-of-state collections, including applicable collection fees; and
    - The number of citations referred to the Franchise Tax Board (FTB) Intercept Program.

5. Statistical Reports

    - Reports shall include year-to-date (YTD) figures for the current fiscal year, along with data from the two (2) prior fiscal years for comparison. Reports shall have the capability to include, at a minimum, the following data:
        - The total number of citations issued;
        - The percentage of citations paid prior to issuance of the first notice and after issuance of the first notice, as a percentage of total citations issued;
        - The percentage of citations dismissed;
        - The percentage of citations closed (paid or dismissed);
        - The number of citations matched to DMV data, including matches to California DMV data and out-of-state DMV data;
        - The number of delinquent notices issued;
        - The total gross collections amount;
        - The number of citations paid;
        - The number and dollar amount of returned check (NSF) fees paid;
        - The number and dollar amount of citations processed through the lockbox;
        - The number and dollar amount of citations processed through the CITY's cashiering system;
        - The number and dollar amount of citations processed through Internet payments;

- The number and dollar amount of citations processed through telephone payments;
- The number and dollar amount of citations processed through DMV payments;
- The number and dollar amount of refunds issued;
- The average gross and net citation amount collected;
- The number and dollar amount of citations paid through special collections;
- The total collection fees associated with special collections;
- The number of customer service calls received and completed; and
- The number of customer correspondence items received.

The CONTRACTOR shall acknowledge that certain reports may require development or refinement over time in coordination with the CITY.

L. IMPLEMENTATION, TRAINING, AND SUPPORT

CONTRACTOR shall provide comprehensive product training for all system users. Ongoing training and support shall also be provided throughout the contract term. Prior to the contract start date, CONTRACTOR shall designate a Project Manager to serve as the primary point of contact with the CITY for all implementation activities.

CONTRACTOR shall be responsible for delivering a complete “turnkey” system. For the purposes of this scope of work (SOW), turnkey shall include the provision of all hardware, software, training, shipping, installation, configuration, testing, integration or interfaces with existing systems, documentation, and any other services necessary for a fully functional automated system that meets the requirements outlined in this SOW.

Any omission of essential or necessary components shall be corrected by the CONTRACTOR at no additional cost to the CITY. Optional equipment or deviations from specifications shall be clearly identified in the proposal.

CONTRACTOR shall be responsible for the following implementation and support activities:

- Making code changes and performing unit testing of system programs based on specifications developed for the CITY;

- Developing and executing data conversion programs to migrate the CITY's existing data into the new system, including a detailed description of the CONTRACTOR's typical conversion approach;
- Installing the system and ensuring full operational functionality in accordance with the specifications;
- Providing on-site support during the first three (3) weeks of production, or until all operational issues are resolved to the CITY's satisfaction;
- Developing a user manual and updating all system and user documentation to reflect the CITY's specific procedures;
- Maintaining all supplied software following the initial warranty period, including installation of new releases and updates, correction of software defects, and technical assistance in the identification and diagnosis of software issues;
- Coordinating with the CITY and the GOGov vendor to design, configure, test, and deploy system integration, including data mapping, interface development, user acceptance testing (UAT), and ongoing maintenance of integration functionality; and
- Providing technical support and troubleshooting assistance for all hardware and software used by the CITY, available from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding CITY-recognized holidays.

EXHIBIT B – BIDDERS' QUOTATION SHEET
IFB No. 26-001-2500 - Citation Processing Software

The City reserves the right to award the contract in full or in part based on available funding.

For evaluation, the City shall assume specification items left blank will not be furnished and shall be automa particular item. Any deviations from the written specification as shown in this RFP shall be noted on the City pro Exceptions Form. Respondents are to itemize any and all additional charges to furnish and deliver services.

Enter unit prices for **Citation Processing Software** items and/or services. Pricing shall be firm fixed price and with all contract requirements, including but not limited to fully-burdened labor, payroll and other taxes, fring workforce productivity, coordination, transportation, field overhead, general and administrative overhead, and p costs to the CITY.

Requested Items and/or Serivces: BASE SYSTEM / CORE SERVICES

Line	Description	UOM	Quantity
1	End-to-End Citation Processing (Parking & Administrative Citations)	Per Citation	1
2	SaaS Back-Office Citation Management System - **INCLUDED**	Monthly/Annual Fee	1
3	System Hosting, Maintenance & Updates - **INCLUDED**	Monthly/Annual Fee	1
4	Standard Customer Service Operations - **INCLUDED**	Monthly/Annual Fee	1

5	Standard Reporting & MIS Generation - **INCLUDED**	Monthly/Annual Fee	1
Requested Items and/or Serivces: IMPLEMENTATION, TRAINING & ONBOARDING			
6	System Implementation & Configuration - **INCLUDED**	One-Time Fee	1
7	Data Conversion & Migration - **INCLUDED**	One-Time Fee	1
8	GOGov Integration (Bidirectional API) - **INCLUDED**	One-Time Fee	1
9	DMV Integration Setup (CA + Out-of-State) - **INCLUDED**	One-Time Fee	1
10	ERP Integration Setup (Tyler Munis) - **TBD based on scope.**	One-Time Fee	TBD
11	Training (CITY Staff & Users) - **INCLUDED**	One-Time Fee	1
12	Go-Live Support (Hypercare Period) - **INCLUDED**	One-Time Fee	1
Requested Items and/or Serivces: EQUIPMENT & FIELD ISSUANCE DEVICES			
13	Primary Ticket Writer Device - **First 5 ticket writers and mobile printers included free of charge**.	Each	5

14	Additional Ticket Writer Devices	Each	1
15	Primary Ticket Printer Device - **First 5 ticket writers and mobile printers included free of charge.**	Each	1
16	Additional Ticket Printer Devices	Each	1
17	Ticket Rolls (Proofing, printing, manufacturing, and delivery)	Each	1
18	Field Issuance Device Accessories (batteries, mounts, etc.)	Each	TBD
19	PCI-Compliant Payment Device (if applicable) - **INCLUDED**	Each	1
20	Device Replacement Prior to PCI Expiration - **INCLUDED**	Each	1
21	Device Maintenance / Certification Monitoring	Monthly/Annual Fee	1
Requested Items and/or Serivces: PAYMENT PROCESSING COSTS			
22	Payment Processing Platform Fee	Per Transaction	1

23	Credit Card Transaction Fee (%)	Per Transaction	1
24	Per Transaction Fee (if applicable) - **INCLUDED**	Per Transaction	1
25	Merchant Account Setup (CITY or CONTRACTOR) - **INCLUDED**	One-Time Fee	1
26	Chargeback / Dispute Handling Fee	Per Transaction	1
27	PCI-DSS Compliance Program Cost - **INCLUDED**	Monthly/Annual Fee	1
Requested Items and/or Serivces: FINANCIAL DEPOSITS & RECONCILIATION			
28	Lockbox Services (PO Box + Processing) - **INCLUDED**	Monthly Fee	1
29	Daily Payment Processing & Posting - **INCLUDED**	Monthly Fee	1
30	Bank Deposit Processing	Monthly Fee	1
31	Daily Reconciliation Services - **INCLUDED**	Monthly Fee	1

32	Manual Reconciliation (if required due to ERP limits) - **INCLUDED**	Monthly Fee	1
33	Refund Processing Support	Per Transaction	1
34	NSF / Returned Payment Processing	Per Transaction	1
Requested Items and/or Serivces: COLLECTIONS SERVICES			
35	Internal Collections Processing - 23%	Monthly Fee	1
36	Third-Party Collections Administration Fee	Percentage (%)	1
37	Collection Agency Pass-Through Rate	Percentage (%)	1
38	Franchise Tax Board (FTB) Intercept Processing	Per Citation	1
39	Skip Tracing Services - **INCLUDED**	Per Citation	1
40	Collection Notice Generation & Mailings	Per Notice	1
Requested Items and/or Serivces: ADJUDICATION & HEARING SERVICES			

Line	Description	UOM	Quantity
41	Administrative Review Processing - **INCLUDED**	Per Citation	1
42	Administrative Hearing Coordination & Scheduling - **INCLUDED**	Per Citation	1
43	Hearing Case Preparation & Docketing **- INCLUDED**	Per Citation	1
44	Hearing Officer Coordination Support - **INCLUDED**	Monthly Fee	1
45	Online Hearing Scheduling Platform - **INCLUDED**	Monthly Fee	1
46	Decision Processing & Notifications - **INCLUDED**	Per Notice	1
Requested Items and/or Serivces: CORRESPONDENCE & MAIL PROCESSING			
47	Notice Generation (All Types)	Per Notice	1
48	Printing & Mail Fulfillment - **INCLUDED**	Per Notice	1
49	Postage Handling (Pass-through or Included) - First-Class Mail Rates	Per Notice	1

50	Envelope / USPS Compliance Formatting - **INCLUDED**	Per Notice	1
51	Returned Mail Processing - **INCLUDED**	Per Notice	1
52	Translation / Multilingual Correspondence - **INCLUDED**	Per Notice	1
Requested Items and/or Serivces: DMV SERVICES & INTEGRATION			
53	DMV Registration Holds / Releases - **INCLUDED**	Per Citation	1
54	DMV Data Access (CA + Out-of-State) - **CA INCLUDED, OUT OF STATE RATE QUOTED**	Monthly/Annual Fee	1
55	DMV Reporting Services - **INCLUDED**	Monthly/Annual Fee	1
56	Disabled Placard Verification Integration - **INCLUDED**	Per Citation	1
Requested Items and/or Serivces: SYSTEM SECURITY, SaaS & IDENTITY MANAGEMENT			
57	SOC 2 / ISO 27001 Compliance Maintenance - **INCLUDED**	Monthly/Annual Fee	1
58	Security Audits & Certifications - **INCLUDED**	Monthly/Annual Fee	1

59	MFA / Role-Based Access Controls	Monthly/Annual Fee	TBD (based on scope)
60	Azure AD / Microsoft 365 Integration	One-Time Fee	TBD (based on scope)
61	Single Sign-On (SSO) Implementation	One-Time Fee	TBD (based on scope)
Requested Items and/or Serivces: ONLINE PUBLIC ACCESS PLATFORM			
62	Public Portal (Citation Lookup & Payment) - **INCLUDED**	Monthly/Annual Fee	1
63	QR Code / Web Link Deployment - **INCLUDED**	One-Time Fee	1
64	Online Appeals & Document Upload - **INCLUDED**	Monthly/Annual Fee	1
Requested Items and/or Serivces: REPORTING & ANALYTICS			
65	Statutory Reporting (CVC 40200.3(b)) - **INCLUDED**	Monthly/Annual Fee	1
66	Custom Dashboard Development	One-Time Fee	TBD (based on scope)
67	Historical Data Reporting (YTD + Multi-Year) - **INCLUDED**	Monthly/Annual Fee	1

68	Ad Hoc Reporting Requests - **INCLUDED**	Per Request	1
Requested Items and/or Serivces: CUSTOMER SERVICE CENTER			
69	Toll-Free Call Center Operations - **INCLUDED**	Monthly Fee	1
70	Bilingual Support (English/Spanish) - **INCLUDED**	Monthly Fee	1
71	IVR / Automated Voice Response System - **INCLUDED**	Monthly Fee	1
72	Call Recording & Archiving - **INCLUDED**	Monthly Fee	1
73	After-Hours / Overflow Support - **INCLUDED**	Monthly Fee	1
Requested Items and/or Serivces: SYSTEM PERFORMANCE & SLA COMPLIANCE			
74	98% Uptime SLA Compliance Program - **INCLUDED**	Monthly Fee	1
75	Performance Monitoring & Reporting Tools - **INCLUDED**	Monthly Fee	1
76	SLA Credit Structure (if applicable) - **INCLUDED**	Monthly Fee	N/A

atically interpreted as a "NO" for that
vided form, Exhibit H - Deviations and

l shall include all costs in accordance
ges, licenses and permits, insurance,
rofit. The Respondent shall submit all

Unit Price	Total Cost
$ 0.45	$ 0.45
$ -	$ -
$ -	$ -
$ -	$ -

$ -	$ -

$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
TBD	TBD
$ -	$ -
$ -	$ -

$ -	$ -

$ 599.00	$ 599.00
$ -	$ -
$ 980.00	$ 980.00
$ 14.00	$ 14.00
TBD	TBD
$ -	$ -
$ -	$ -
$ 40.00	$ 40.00

$ 5.95	$ 5.95

$	4.25	$	4.25
$	-	$	-
$	-	$	-
$	35.00	$	35.00
$	-	$	-

$	-	$	-
$	-	$	-
$	50.00	$	50.00
$	-	$	-

$ -	$ -
$ 5.00	$ 5.00
$ 10.00	$ 10.00

23%	$ 0.23
35%	$ 0.35
35%	$ 0.35
15%	$ 0.15
$ -	$ -
$ 1.14	$ 1.14

Unit Price	Total Cost
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -

$ 0.75	$ 0.75
$ -	$ -
TBD	TBD

$ -	$ -
$ -	$ -
$ -	$ -

	$ -
$ 0.35	$ 0.35
$ -	$ -
$ -	$ -
$ -	$ -

$ -	$ -
$ -	$ -

TBD (based on scope)	TBD (based on scope)
TBD (based on scope)	TBD (based on scope)
TBD (based on scope)	TBD (based on scope)

$ -	$ -
$ -	$ -
$ -	$ -

$ -	$ -
TBD (based on scope)	TBD (based on scope)
$ -	$ -

$ -	$ -

$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -
$ -	$ -

$ -	$ -
$ -	$ -
N/A	N/A

Project Total:	**$ 1,746.97**	*Project Total is subject to change based on volume.

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **1**

SUBJECT: **ACCEPT NOTICE OF COMPLETION (NOC) FOR PUBLIC DRAINAGE IMPROVEMENTS FOR COPART LOCATED AT THE NORTHWEST CORNER OF 40TH STREET EAST AND AVENUE L-8**

RECOMMENDATION

Staff recommend that the City Council:

1. Accept the NOC for completed public drainage improvements for Copart located at the northwest corner of 40th Street East and Avenue L-8; and,

2. Authorize the City Manager or his designee to file the NOC and release the security for the completed public drainage improvements.

BACKGROUND

This project, located at the northwest corner of 40th Street East and Avenue L-8, constructed public drainage improvements along Avenue L-8. Improvements consist of four parkway drains, constructed within a dedicated easement for public road and highway purposes, offered by the developer. These drainage improvements have been constructed in accordance with approved plans and have been inspected and accepted by City Public Works staff.

DISCUSSION

The NOC is presented in accordance with Section 16.110.060 of Palmdale's Municipal Code. This action will accept the drainage improvements as complete and initiate the City's release of applicable securities posted for this project per the City's subdivision regulations.

The public drainage improvements for the project are listed in Exhibit A and shown in the Site Map, Exhibit B, and have been completed to the City Engineer's satisfaction as

required in the Subdivision/Development Improvement Agreement between the developer and the City. The pictures of the improvements are included in Exhibit C. After the developer fulfills a one-year maintenance period, the improvements along Avenue L-8 will be transferred from the developer to the City.

FISCAL IMPACT

$4,000; The additional maintenance and administrative costs associated with the acceptance of the noted parkway drains are estimated to average $4,000 annually. The funds for managing and maintaining these assets will be budgeted annually within the Street Maintenance budget.

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

NOC
Exh A List of Completed Public Improvements
Exh B Site Map
Exh C Project Photos

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 9200-9208, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **roadway and utility easement**
5. A work of improvement on the property hereinafter described was completed on **September 16, 2026.**
6. The work done was: **Drainage Improvements for 4 parkway drains.**
7. The name of the Contractor for such work of improvement: **Granite Construction.**
8. The property on which said work of improvement was completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **Northwest corner of 40th Street East and Avenue L-8.**
9. The address of said property is: **42425 40th St East.**

Dated: **November 09, 2026**

CITY OF PALMDALE

Hamed Hashemian, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on **November 09, 2026,** in the City of Palmdale, California.

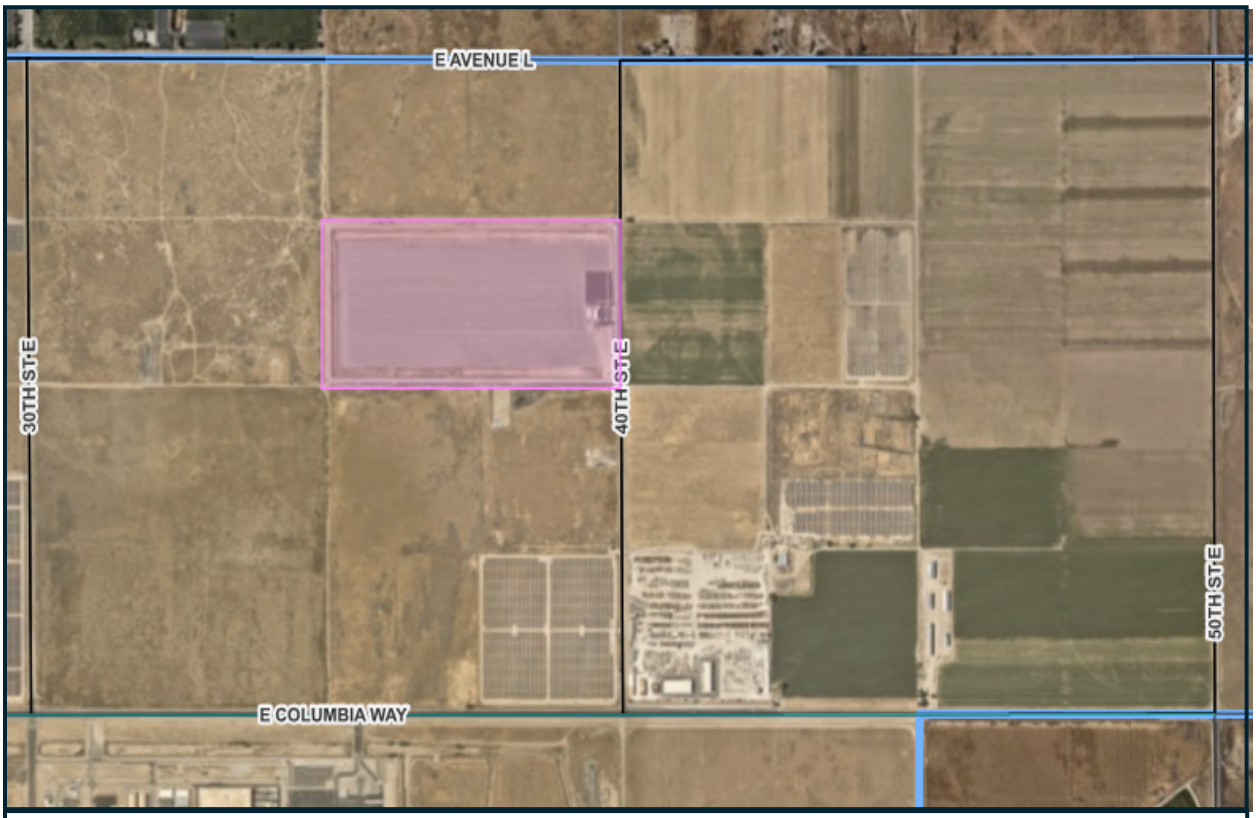
Hamed Hashemian, City Engineer

EXHIBIT A

LIST OF COMPLETED PUBLIC IMPROVEMENTS

Project	Plan #	Quantity	Security
Copart Drainage Improvements	ST 20-09	4 Parkway Drains	$16,100

EXHIBIT B
PROJECT LOCATION



PALMDALE
a place to call home

COPART DEVELOPEMENT

N
W E
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N.T.S.

EXH C

40th St East & Ave L-8







City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **1**

SUBJECT: **ACCEPT NOTICE OF COMPLETION (NOC) FOR PUBLIC SEWER AND DRAINAGE IMPROVEMENTS FOR TRADER JOE'S DISTRIBUTION CENTER LOCATED AT THE SOUTHEAST CORNER OF 10TH STREET WEST AND COLUMBIA WAY**

RECOMMENDATION

Staff recommend that the City Council:

1. Accept the NOC for completed public sewer and drainage improvements for Trader Joe's Distribution Center located at the southeast corner of 10th Street and Columbia Way; and,

2. Authorize the City Manager or his designee to file the NOC and release the security for the completed public sewer and drainage improvements.

BACKGROUND

This project, located at the southeast corner of 10th Street West and Columbia Way, included construction of public sewer and drainage improvements along 10th Street West and Columbia Way. The improvements included 12 Storm Drain manholes, 3,868 linear feet of storm drainpipe, two sewer manholes, 184 linear feet of sewer pipe, and one sewer lateral. The public improvements have been made in accordance with the approved sewer and drainage plan and have been inspected and approved by City Public Works staff.

DISCUSSION

The NOC is presented in accordance with Section 16.110.060 of Palmdale's Municipal Code. This action will accept the public sewer and drainage improvements as complete and initiate the City's release of applicable securities posted for this project per the City's subdivision regulations.

The public sewer and drainage improvements for the project are listed in Exhibit A and shown in the Site Map, Exhibit B, and have been completed to the City Engineer's satisfaction as required in the Subdivision/Development Improvement Agreement between the developer and the City. The pictures of improvements are included in Exhibit C. After the developer fulfills a one-year maintenance period, the improvements along 10th Street West and Columbia Way will be transferred from the developer to the City.

FISCAL IMPACT

$67,000; The future sewer and storm drain planning, maintenance, and lifecycle reinvestment allowance costs are estimated at $67,000 per year. These estimated costs will be incorporated into the applicable Public Works operating and Capital Improvement budgets.

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

NOC
List of Completed Public Improvements
Site Map
Project Photos

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **Sewer & Drainage Improvements-Trader Joe's Distribution Center.**
5. A work of improvement on the property hereinafter described was completed on **September 10, 2026.**
6. The work done was: "**Sewer & Drainage Improvements-Trader Joe's Distribution Center.**",
7. The name of the Contractor for such work of improvement: **Trader Joe's Company.**
8. The property on which said improvements were completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **Southeast corner of 10th Street West and Columbia Way.**
9. The address of said property is: **700 West Columbia Way.**

Dated: **November 09, 2026**

CITY OF PALMDALE

Hamed Hashemian, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on **November 09, 2026,** in the City of Palmdale, California.

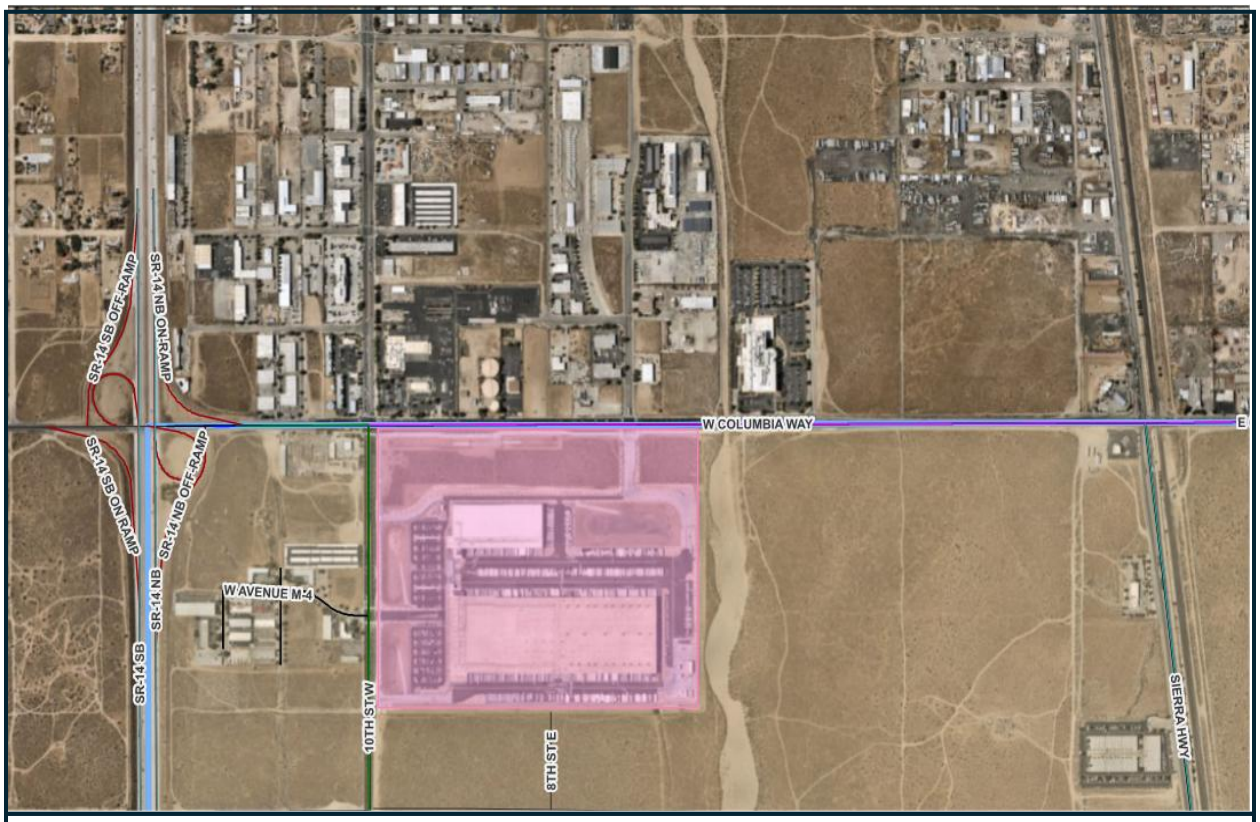
Hamed Hashemian, City Engineer

EXHIBIT A

LIST OF COMPLETED PUBLIC IMPROVEMENTS

Project	Plan #	Quantity	Security
Trader Joe's Distribution Center Sewer Improvements	PC 23-06	184 LF 2 Manholes	$35,800
Trader Joe's Distribution Center Drainage Improvements	SD 23-06	3,868 LF 12 manholes	$1,109,000

EXHIBIT B
PROJECT LOCATION



PALMDALE
a place to call home

TRADER JOE'S DEVELOPEMENT

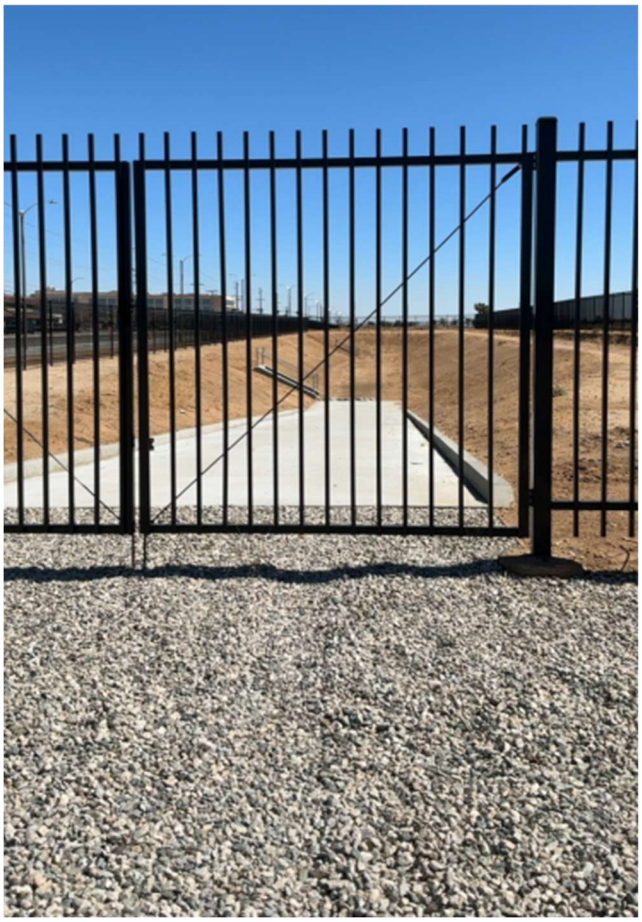
N
W E
S

N.T.S

EXH C

10th St West & Columbia Wy







City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **APPROVE FIRST AMENDMENT TO AGREEMENT WITH NEW CREATION BUILDERS FOR DESIGN SERVICES PHASE I FOR SOUTH ANTELOPE VALLEY EMERGENCY SERVICES (SAVES) TENANT IMPROVEMENTS AND RELOCATION PROJECT FOR A TOTAL NOT TO EXCEED AMOUNT OF $712,937, AND EXTENDING THE CONTRACT TERM TO DECEMBER 31, 2026**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve First Amendment to Agreement No. A-9143 with New Creation Builders for design services Phase I for SAVES Tenant Improvements and Relocation Project, PN 874, for an additional $79,937, for a total not to exceed amount of $712,937, and extending the term to December 31, 2026; and,

2. Authorize the City Manager or his designee to execute the First Amendment to Agreement No. A-9143 with New Creation Builders, including minimal and/or non-substantial changes.

BACKGROUND

For over 40 years, SAVES has supported the working poor, disadvantaged individuals, emancipated youth, the homeless, and senior citizens in the South Antelope Valley by providing food, short-term shelter, clothing, transportation passes, and programs such as holiday meal preparation, gift baskets, and back-to-school assistance. SAVES serves about 6,000 clients each year, a number that has steadily increased and has tripled in the past decade. To keep up with the growing demand, expansion is essential.

Additionally, SAVES receives more donated food and items, which requires extra storage space, and currently uses off-site storage to meet this need. To better serve the community, SAVES needs more space for various services, including:

- Storing over 900,000 pounds of donations each year;
- Expanding donation services such as clothing, household items, and toys;
- Offering healthy living classes;
- Connecting clients with local resource providers and advisors; and,
- Organizing annual food and toy drives.

DISCUSSION

On December 18, 2024, the City awarded a design-build contract to New Creation Builders to relocate the existing SAVES operations to the new site and to design the necessary improvements.

The First Amendment provides for the required additional electrical design, generator, transfer switch, and appurtenances. This design will allow SAVES to maintain emergency operations and resilience by keeping the walk-in freezer and refrigerators operational and maintaining Electric Vehicle (EV) charging capabilities during a prolonged emergency. This will fulfill their primary mission of responding to emergencies caused by natural disasters, pandemics, and economic downturns.

FISCAL IMPACT

$79,937; Sufficient funds are budgeted for the design portion of the project in Fiscal Year 2026-27

Project Summary	**Cost**
First Amendment to Agrmt No. A-9143	$79,937
Agrmt No. A-9143	$633,000
Total Contract Amount	**$712,937**

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Agrmt No. A-9143 First Amendment with New Creation Builders
Agrmt No. A-9143 with New Creation Builders

1st AMENDMENT TO AGREEMENT A- 9143
BETWEEN THE CITY OF PALMDALE AND NEW CREATION BUILDERS

This First Amendment to Agreement No. A-9143 (“Agreement”) is made and entered into by and between the City of Palmdale (hereinafter called “CITY”) and NEW CREATION BUILDERS (hereinafter called "CONSULTANT"). This Contract shall become effective on the date of the last signatory.

WHEREAS, on December 4, 2024 ("Original Agreement") the CITY and CONSULTANT entered into an agreement to provide:

Design Services for CITY Project No. PN 874 SAVES Tenant Improvements and Relocation Phase I Design Project.

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

Add Electrical, Civil, Structural and Architectural drawings to include an emergency generator and EV charging stations; extend the completion date of the contract to December 31, 2026; and Increase the contract amount by $79,937, for a total not to exceed amount of $712,937 CONSULTANT’s updated Price Proposal attached as Exhibit “A".

NOW THEREFORE, the parties agree as follows:

1. Section 1.1 shall be amended and restated as follows:
1.1 The City hereby engages PROJECT DESIGNER, and PROJECT DESIGNER accepts such engagement, to perform the following design professional services in a manner satisfactory to CITY:

To provide the services as described in Exhibit B and B-1, which includes:
a) Architectural;
b) Interior design;
c) Structural;
d) Mechanical-Electrical-Plumbing;
e) Fire-Life-Safety;
f) IT Engineering;
g) Acoustical;
h) Civil Engineering; and,
i) Landscape disciplines.

As required by the Request For Proposal ("RFP"), PROJECT DESIGNER shall provide the following services and features and perform all the elements stated in the RFP Appendix 1, Scope of Work, which include:

a) Use the existing warehouse as the primary SAVES storage facility;
b) Construct prefabricated new structure as primary office and client service center;
c) Connect the two spaces that allow pallet jacks/rolling carts to transport supplies between buildings on a concrete surface;
d) Provide ample parking for visitors and staff; and,
e) Provide truck access to the loading/receiving area.

This Contract covers the Design Phase (Phase I) of Project No. 874 SAVES Tenant Improvements and Relocation project as outlined in the RFP.

The Construction Phase (Phase II) is contingent upon the CITY securing additional funding, issuing a written Authorization to Proceed with Phase II, and will be addressed under separate Contract once funding is secured.

2. Section 4 (Commencement and Completion of Work) shall be amended as follows:

The services for the Project shall commence when CITY, acting by and through its Project Manager, issues a written authorization to proceed. PROJECT DESIGNER shall complete all work described in the Description of Work and submit final deliverables on or before December 31, 2026. PROJECT DESIGNER shall have no claim for compensation for any services or work, which has not been authorized by CITY's authorization to proceed.

3. Section 9 (Compensation) shall be amended to increase the contract amount by $79,937, for a total not to exceed amount of $712,937.

For reference, contract history:
Original Contract Amount = $633,000
Amendment No. 1 Amount = increase by $79,937
New Total Not to Exceed Contract Amount = $712,937

4. The Original Agreement's scope of services is amended as set forth in Exhibit A-1, which is attached and incorporated by reference. The services in Exhibit B-1 are in addition to those in Exhibit B of the Original Agreement.

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

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

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

CITY OF PALMDALE:

Salvador Mendez
City Manager

Lee Torres
Nov 4, 2026, 2:26 PM PST

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

APPROVE AS TO FORM:

Nov 4, 2026, 10:32 AM PST

Aleks Giragosian
City Attorney

ATTEST:

Rochelle Scott
City Clerk

NEW CREATION BUILDERS:

Jimmy Chung
Nov 4, 2026, 2:45 PM PST

Jimmy Chung
President

ADDRESS FOR NOTICE:
NEW CREATION BUILDERS
17809 Clark Avenue
Bellflower, CA 90706

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

- ■Certificate(s) and Endorsement(s) attached
- ■Confirmed business name on contract with certificate(s)
- ■Original contract and previous amendment(s) (if any) are attached
- ■Attached Agreement Checklist and met all requirements
- ■Attach Quotes, Solicitation Docs, City's Best Interest, Government Code, etc.

Record of Signing

For City of Palmdale
Name Taylor Anderson
Title Deputy City Attorney



Signed on Nov 4, 2026 10:32 AM PST

Secured by Concord™
DocumentID: 034rszQuDbDGmYaJu8mKtV
SigningID: 034rszQPVoSJSjwwSKNslZ
UTC Signing time: 2026-11-04 18:32:38 UTC
IP Address: 20.237.142.185
Email: tanderson@chwlaw.us

For City of Palmdale
Name Leonardo Torres
Title



Signed on Nov 4, 2026 2:26 PM PST

Secured by Concord™
DocumentID: 034rszQuDbDGmYaJu8mKtV
SigningID: 034ryjmG3jJqPkXhmg7ga5
UTC Signing time: 2026-11-04 22:26:51 UTC
IP Address: 45.62.177.244
Email: ltorres@cityofpalmdaleca.gov

For jc@newcreationbuilders.com
Name Jimmy Chung
Title



Signed on Nov 4, 2026 2:45 PM PST

Secured by Concord™
DocumentID: 034rszQuDbDGmYaJu8mKtV
SigningID: 034rzCETu3Le4nGrsqdpVt
UTC Signing time: 2026-11-04 22:45:32 UTC
IP Address: 76.170.129.237
Email: jc@newcreationbuilders.com

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

AGREEMENT NO. A-9143
CONTRACT FOR DESIGN PROFESSIONAL SERVICES
BETWEEN THE CITY OF PALMDALE AND NEW CREATION BUILDERS, INC.
ARPA FUNDING

THIS CONTRACT FOR DESIGN PROFESSIONAL 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 NEW CREATION BUILDERS, INC. (hereinafter called "PROJECT DESIGNER"). This Contract shall become effective on the date of the last signatory.

RECITALS

WHEREAS**,** City desires to engage PROJECT DESIGNER to perform certain technical and professional services, as provided herein, in connection with that certain project identified as PN 874 SAVES Tenant Improvements and Relocation - Phase I.

WHEREAS, PROJECT DESIGNER represents that PROJECT DESIGNER has the expertise and is qualified to perform the services described in this Contract and is duly registered under the laws of the State of California.

WHEREAS, PROJECT DESIGNER desires to accept such engagement.

NOW, THEREFORE, the parties agree as follows:

1 DESCRIPTION OF WORK

1.1 The City hereby engages PROJECT DESIGNER, and PROJECT DESIGNER accepts such engagement, to perform the following design professional services in a manner satisfactory to CITY:

PROJECT DESIGNER shall include construction documents for:
a) Architectural;
b) Interior design;
c) Structural;
d) Mechanical-Electrical-Plumbing;
e) Fire-Life-Safety;
f) IT Engineering;
g) Acoustical;
h) Civil Engineering; and,
i) Landscape disciplines.

In addition, PROJECT DESIGNER shall include traffic engineering as part of the CEQA-Planning approval process.

As required by the Request For Proposal ("RFP"), PROJECT DESIGNER shall

provide the following services and features and perform all the elements stated in the RFP Appendix 1, Scope of Work:

a) Use the existing warehouse as the primary SAVES storage facility;
b) Construct prefabricated new structure as primary office and client service center;
c) Connect the two spaces that allow pallet jacks/rolling carts to transport supplies between buildings on a concrete surface;
d) Provide ample parking for visitors and staff; and,
e) Provide truck access to the loading/receiving area.

PROJECT DESIGNER's complete proposal is attached as Exhibit "B".

This Contract covers the Design Phase (Phase I) of Project No. 874 SAVES Tenant Improvements and Relocation project as outlined in the RFP.

PROJECT DESIGNER shall complete all work described in the Description of Work for Phase I and submit Phase I final deliverables within Three Hundred and Thirty (330) Calendar days of the written Authorization to Proceed.

The Construction Phase (Phase II) is contingent upon the CITY securing additional funding, issuing a written Authorization to Proceed with Phase II, and will be addressed under separate Contract once funding is secured.

PROJECT DESIGNER shall be substantially completed with Phase II Construction by October 31, 2026.

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 PROJECT DESIGNER 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 PROJECT DESIGNER, 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.

1.5 CONTRACTOR, understands, acknowledges, and agrees that the funding source for its work is from the American Rescue Plan, Coronavirus State and Local Fiscal Recovery Funds (collectively “ARPA”) and as such, CONTRACTOR is required to comply with the regulations associated with ARPA funds pursuant to 31 CFR Part

35. Those regulations and reporting requirements are set forth in Exhibit "A" attached hereto and incorporated herein by reference. By executing this Contract, CONTRACTOR agrees to comply with all such regulations and reporting requirements and shall familiarize itself with those requirements.

2 CITY PROJECT MANAGER

To provide the design professional services required by this Contract, PROJECT DESIGNER shall act under the authority and approval of a Project Manager appointed by the Director of Public Works/designee. The City Project Manager will oversee the work under this Contract, assist PROJECT DESIGNER with any necessary information, audit billings, and approve payments. PROJECT DESIGNER shall channel reports, deliverables and special requests through the City Project Manager.

3 PROJECT DESIGNER'S KEY PERSONNEL

PROJECT DESIGNER's Team and Key Personnel are as follows:

Arthur Magtibay, VP, Project Executive
Zuriel Crisosstomo, Construction Project Manager
Rod Cayabyab, QA / QC Manager
Edward Lok Ng, BOA Architecture, Architect, LEED AP, Project Manager

This Design Professional Services Contract has been awarded to PROJECT DESIGNER based on its representation that those personnel and subcontractors listed above will perform the portions of the work listed above. PROJECT DESIGNER shall not deviate nor substitute any of these team members without prior written approval by CITY.

4 COMMENCEMENT AND COMPLETION OF WORK

The services for the Project shall commence when CITY, acting by and through its Project Manager, issues a written authorization to proceed. PROJECT DESIGNER shall complete all work described in the Description of Work and submit final deliverables within Three Hundred and Thirty (330) calendar days of said authorization. PROJECT DESIGNER shall have no claim for compensation for any services or work, which has not been authorized by CITY's authorization to proceed.

5 TAXES

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

5.2 PROJECT DESIGNER 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 PROJECT DESIGNER or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of CITY.

5.3 PROJECT DESIGNER 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

PROJECT DESIGNER 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. PROJECT DESIGNER 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

7.1 PROJECT DESIGNER 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. PROJECT DESIGNER 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.

7.2 PROJECT DESIGNER shall be familiar with CITY’s Standard Details and Specifications and other relevant CITY regulations. PROJECT DESIGNER shall ensure there are no conflicts among the Contract Documents including, but not limited to, the CITY’s Standard Specifications and Special Provisions for Construction Contracts, the plans and specifications prepared by PROJECT DESIGNER, any standard details or specifications incorporated therein by reference, and the Construction Contract.

8 PROJECT DESIGNER’S PERSONNEL

8.1 All services required under this Contract shall be performed by PROJECT DESIGNER, or under PROJECT DESIGNER’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 PROJECT DESIGNER 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 PROJECT DESIGNER shall be responsible for payment of all PROJECT DESIGNER'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 PROJECT DESIGNER shall indemnify and hold harmless CITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from PROJECT DESIGNER's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

8.5 PROJECT DESIGNER shall pay, if required by applicable law, not less than the general prevailing hourly wage rates, as determined by the Director of the Department of Industrial Relations pursuant to the California Labor Code, for each craft, classification, or type of worker needed to perform the Contract. Copies of the prevailing rate of per diem wages are on file in the office of the Director of Public Works.

9 COMPENSATION

9.1 For all of work and services including the various phases of tasks as described in Section 1, Scope of Services, CITY shall pay to PROJECT DESIGNER an amount not to exceed the sum of Six Hundred and Thirty-Three Thousand dollars ($633000.00), as follows:

Phase I - Design:

PROJECT DESIGNER shall submit to CITY an itemized invoice monthly for services provided the prior month.

PROJECT DESIGNER's Price Proposal spreadsheet with detailed line item costs for Phase I attached as Exhibit "C".

PROJECT DESIGNER shall perform no work in excess of the total contract price without prior approval of CITY. Total contract price includes expenses related to travel to and from CITY to meet with City and to appear before City Council or any other board or commission of CITY.

9.2 An application and certification for payment form must be submitted to CITY which shall include the following: a clear, detailed invoice reflecting hours 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 the project; any/all backup documentation supporting the above items. Work schedule updates must also be included in the monthly progress payment requests.

9.3 PROJECT DESIGNER shall maintain adequate records and shall permit inspection and audit by CITY of PROJECT DESIGNER's charges under this Contract. PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER shall retain its records for the time required by such laws.

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

10 INDEMNIFICATION

To the fullest extent of the law, and consistent with Civil Code section 2782.8, PROJECT DESIGNER agrees to defend, indemnify, hold free and harmless the CITY, its elected and appointed officials, officers, agents and employees, at PROJECT DESIGNER's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings brought against CITY, its elected and appointed officials, officers, agents, and employees to the extent arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of the PROJECT DESIGNER, its employees, and/or authorized subcontractors, in performing design professional services pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence, recklessness or willful misconduct of the PROJECT DESIGNER, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, recklessness, or willful misconduct of PROJECT DESIGNER, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the CITY, its elected and appointed officials, officers, agents, and employees based upon such negligence, recklessness, or willful misconduct, whether or not the PROJECT DESIGNER, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the PROJECT DESIGNER shall not be liable for the defense or indemnification of the CITY for claims, actions, complaints or suits arising out of the sole or active negligence or willful misconduct of the CITY. Further, in no event shall the cost to defend charged to the design professional exceed the design professional's proportionate percentage of fault, unless otherwise specified in Civil Code section

2782.8. This provision shall supersede and replace all other indemnity provisions contained either in the CITY's specifications or PROJECT DESIGNER's Proposal, which shall be of no force and effect.

11 INSURANCE

11.1 PROJECT DESIGNER, 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 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*

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

11.1.3 Commercial General Liability

- $2,000,000.00 limit on 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 PROJECT DESIGNER'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 that: "The City of Palmdale, City of Palmdale in

its capacity as the Successor Agency to the CRA, Palmdale Civic Authority, Housing Authority, Industrial Development Authority, Airport Authority, their officers, agents, employees and volunteers are named as additional insured".

B. "Severability of Interest" clause.

11.4 Promptly on execution of this Contract, and prior to commencement of any work, PROJECT DESIGNER shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that PROJECT DESIGNER has the required coverage and showing the required named insureds. Within five (5) days of written request from CITY, PROJECT DESIGNER 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 PROJECT DESIGNER are not intended to and shall not in any manner limit or qualify PROJECT DESIGNER's liabilities and obligations under this Contract.

11.6 Any policy or policies of insurance that PROJECT DESIGNER 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 coverages 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", PROJECT DESIGNER 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 PROJECT DESIGNER, 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 PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER shall be subject to all other insurance requirements that are stated herein.

Any deviation in this requirement will be PROJECT DESIGNER's sole risk. PROJECT DESIGNER'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, PROJECT DESIGNER shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and sub-consultants to cease such work. PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER 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 PROJECT DESIGNER to provide all finished or unfinished documents, data, studies, software, drawings, maps, photographs, reports, etc., prepared by the PROJECT DESIGNER. Upon such termination, the PROJECT DESIGNER 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 PROJECT DESIGNER to complete the services. In the

event no new PROJECT DESIGNER is employed, the PROJECT DESIGNER 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 drawings, and to other 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 the PROJECT DESIGNER 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 PROJECT DESIGNER arising out of, or relating to this Contract, or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

15 OWNERSHIP OF DOCUMENTS

All documents, including, but not limited to, tracings, drawings, plans, specifications, original mylars, estimates, field notes, investigations, design analysis and studies which are prepared in the performance of this Contract are to be, and remain the property of, CITY. PROJECT DESIGNER shall furnish CITY, upon its request, originals or reproducible or electronic copies of technical specifications and of all other documents listed above. PROJECT DESIGNER shall endorse, by his professional seal, all plans and data furnished by him.

16 RE-USE OF DOCUMENTS

The parties agree the documents, drawings, specifications, and designs, although the property of CITY, are prepared for a specific project and are not intended nor represented by PROJECT DESIGNER to be suitable for re-use for any other project. Any reuse without written verification or adaptation by PROJECT DESIGNER for the specific purpose intended will be at CITY's sole risk and without liability or legal exposure to PROJECT DESIGNER.

17 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

17.1 PROJECT DESIGNER 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 PROJECT DESIGNER 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, delegee 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, delegee or subcontractor shall include the following:

A. The amount involved, together with PROJECT DESIGNER'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 PROJECT DESIGNER and shall not bind or purport to bind CITY and shall not release PROJECT DESIGNER from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to PROJECT DESIGNER under this Contract.

18 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

18.1 In performance of this Contract, PROJECT DESIGNER 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. PROJECT DESIGNER will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, sex, national origin, handicap, 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.

18.2 The provisions of subsection 18.1 above shall be included in all solicitations or advertisements placed by or on behalf of PROJECT DESIGNER for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of PROJECT DESIGNER 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.

19 FINANCIAL INTEREST CERTIFICATION

19.1 PROJECT DESIGNER 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 PROJECT DESIGNER's firm.

19.2 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.

20 CONFLICT OF INTEREST

20.1 PROJECT DESIGNER 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 PROJECT DESIGNER 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.

20.2 PROJECT DESIGNER shall not employ any City official or employee to perform any work required pursuant to this Contract.

20.3 If PROJECT DESIGNER is a registered professional engineer or licensed land surveyor and the scope of work requires PROJECT DESIGNER's recommendation of the actual formula to spread the costs of an assessment district's improvements, then PROJECT DESIGNER 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) PROJECT DESIGNER 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 PROJECT DESIGNER received the income. In the event a conflict of interest does arise in that context, City shall select a different PROJECT DESIGNER 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 PROJECT DESIGNER.

20.4 To the extent required by the City Manager/designee, PROJECT DESIGNER 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.

21 COMPLIANCE WITH LAW

21.1 PROJECT DESIGNER 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 PROJECT DESIGNER uses any subcontractors to complete this Contract, this same requirement shall be included in all subcontracts and strictly enforced by PROJECT DESIGNER.

21.2 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.

22 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.

23 ENTIRE CONTRACT AND AMENDMENTS

23.1 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.

23.2 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 PROJECT DESIGNER hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

23.3 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.

24 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: 12/20/2024

Ronda Perez
City Manager

Lee Torres
Signed: 12/19/2024

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

NEW CREATION BUILDERS, INC.:

Jimmy Chung
Signed: 12/20/2024

Jimmy Chung
President

ADDRESS FOR NOTICE:
NEW CREATION BUILDERS, INC.
17809 Clark Avenue
Bellflower, CA 90706

APPROVE AS TO FORM:

William Patrick Curley III
Signed: 12/20/2024

William P. Curley, III
City Attorney

ATTEST:

Rochelle Scott
Signed: 12/20/2024

Rochelle Scott
City Clerk

EXHIBIT "A"
ARPA REQUIREMENTS

RECITAL:
On March 11, 2021, the American Rescue Plan Act ("ARP Act") was signed into law. The ARP Act was intended to provide increased aid to individuals, families, businesses, and governments affected by the COVID-19 pandemic. The ARP Act established and funded the Coronavirus State and Local Fiscal Recovery Funds (the "CSLFRF"), which included two hundred forty (240) billion dollars for state, territorial, local, and Tribal governments that are being used to fight the pandemic and accelerate local economic recovery.

MANDATORY CONTRACT PROVISIONS FOR ARP ACT EXPENDITURES:
Procurement processes for expenditures using American Rescue Plan Act (ARPA) funds generally follow state and local rules. In most cases, city procurement policies will satisfy the federal requirements. One notable difference is that federal procurement regulations mandate specific contract provisions in certain circumstances. There are no requirements for contracts or expenditures of less than $10,000. However, using ARPA funds for contracts in excess of $10,000 triggers the mandatory contract provisions in 2 CFR Part 200, Appendix II.

Most contract provisions are required only on those exceeding $100,000 or those for construction projects of any amount. However, mandatory contract provisions will apply if a city obligates ARPA funds to a contract that exceeds $100,000.

For ease of administration, below is an explanation of the mandatory contract provisions and model language necessary for compliance with federal law disclosures.

2 C.F.R. PART 200: APPENDIX II, CONTRACT PROVISIONS

- For contracts over $10,000, cities must include a provision that addresses termination for cause and convenience by the local government, including the process for termination and the basis for settlement.
- For contracts over $100,000, cities must include a provision that addresses administrative, contractual, or legal remedies if a contractor violates or breaches the contract, including sanctions and penalties for the breach.
- In accepting the ARPA award, local governments agreed to include an EEO statement in any federally assisted construction contract defined in 41 CFR Part 60-1.3. A federally assisted construction contract is defined as follows:
    - Any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the government or borrowed on the credit of the government pursuant to any federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the government

for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work.

EQUAL EMPLOYMENT OPPORTUNITY:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

1. *Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.*
2. *The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.*
3. *The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.*
4. *The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.*
5. *The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.*
6. *The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his*

books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

7. *In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.*

8. *The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:*

***Provided**, however, that in the event a contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.*

Contracts that are in excess of $100,000 and involve the employment of mechanics or laborers must include provisions requiring compliance with the Contract Work Hours and Safety Standards Act as follows:

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

(2) Violation: liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted

to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The City of Palmdale shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower-tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

Contracts and subgrants in excess of $150,000 must contain a provision that requires the non-federal award to agree to comply with all applicable standards, orders, or regulations of the Clean Air Act and Federal Water Pollution Control Act.

CLEAN AIR ACT

(1) The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

(2) The contractor agrees to report each violation to the City of Palmdale and understands and agrees that the City of Palmdale will, in turn, report each violation as required to assure notification to the Treasury Department and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with American Rescue Plan Act funding.

FEDERAL WATER POLLUTION CONTROL ACT

(1) The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the City of Palmdale and understands and agrees that the City of Palmdale will, in turn, report each violation as required to assure notification to the Treasury Department and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with American Rescue Plan Act funds.

Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the City of Palmdale and understands and agrees that the City of Palmdale will, in turn, report each violation as required to assure notification to the Treasury Department and the appropriate Environmental Protection Agency regional office.

(3) The contractor agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with American Rescue Plan Act funds.

In order to contract with the City, all parties must:

(a) Be registered in SAM.gov (https://sam.gov/content/home); and
(b) Maintain an active SAM registration with current information, including information on a recipient's immediate and highest-level owner and subsidiaries; and
(c) Provide its unique entity identifier to the City before a contract is executed; and
(d) Not have an active exclusion record on SAM.gov which would indicate the entity has been debarred.

As of April of 2022, all entities doing business with the federal government must use a Unique Entity ID created in SAM.gov The federal government has stopped using the DUNS number to uniquely identify entities.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352: Contractors that apply for a bid or award exceeding $100,000 must file the required certification that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency. Cities should include the Byrd Anti-Lobbying contract clause is as follows:

Contractors who apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier, up to the recipient.

BUY AMERICA PREFERENCE IN FEDERAL FINANCIAL ASSISTANCE PROGRAMS FOR INFRASTRUCTURE – RESTORE ACT

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. No. 117-58, which includes the Build America, Buy America Act ("the Act"). Pub. L. No. 117-58, §§ 70901-52. The Act strengthens Made in America Laws and will bolster America's industrial base, protect national security, and support high-paying jobs. The Act requires that no later than May 14, 2022—180 days after the enactment of the IIJA—the head of each covered Federal agency shall ensure that "none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States."
RESTORE Act - Buy America Preference | U.S. Department of the Treasury."

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

1. Recipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.

2. Recipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Recipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Recipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Recipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Recipient's programs, services, and activities.

3. Recipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit http://www.lep.gov.

4. Recipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is

binding upon Recipient and Recipient's successors, transferees, and assignees for the period in which such assistance is provided.

5. Recipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

> *The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement*.

6. Recipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Recipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property.

7. Recipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Recipient shall comply with information requests, on-site compliance reviews and reporting requirements.

8. Recipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Recipient also must inform the Department of the Treasury if Recipient has received no complaints under Title VI.

9. Recipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Recipient and the administrative agency that made the finding. If the Recipient settles a case or matter alleging such discrimination, the Recipient must provide documentation of the

settlement. If Recipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

10. If the Recipient makes sub-awards to other agencies or other entities, the Recipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that that they are effectively monitoring the civil rights compliance of subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

Under penalty of perjury, the undersigned official(s) certifies that official(s) has read and understood the Recipient's obligations as herein described, that any information submitted in conjunction with this assurances document is accurate and complete, and that the Recipient is in compliance with the aforementioned nondiscrimination requirements.

ARPA Regulations, 31 CFR Part 35 (“Regulations”) are incorporated herein and made a part of this Contract.

CONTRACTOR agrees to be bound by the reporting requirements set out in the Regulations. This includes submitting quarterly reports by the 15th of the month following the end of each quarter to the Director of Finance. The reports must include, but is not limited to, the use of the funds, documentation/receipts of the funds spent, description of the project and status of completion of the project. The Director of Finance may require additional information of CONTRACTOR for compliance with ARPA Regulations.

CONTRACTOR, in the performance of this Contract and as a sub-recipient of ARPA funds, as well as all of its subcontractors, must comply with the following:

1. CONTRACTOR, and any and all of its subcontractors, must ensure that they do not deny benefits, services or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity) in accordance with Title VI of the Civil Rights Act of 1964, Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23. CONTRACTOR will be required to submit data showing compliance with the above.

2. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
3. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
4. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower-tier covered transactions. (2 C.F.R. Part 180, subpart B) and that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
5. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found at 2 CFR Part 200 Appendix II.
6. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
7. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
8. New Restrictions on Lobbying, 31 C.F.R. Part 21
9. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
10. Section 2 CFR 200.323 regarding Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (EPA guidelines at 40 CFR Part 247).
11. Section 200.322 of 2 CFR 200.322, Domestic preferences for procurements.
12. Generally applicable federal environmental laws and regulations.

---------- 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 2024-12-19 22:05:38 GMT

Secured by Concord™
DocumentID: 02yZWyjpUCEOSCdw5h8mfM
SigningID: 02yZWyjpO9WCcQzHxrrvCG
Signing date: 12/19/2024
IP Address: 206.171.111.149
Email: ltorres@cityofpalmdaleca.gov

For
Name
Title



Signed on 2024-12-20 00:04:59 GMT

Secured by Concord™
DocumentID: 02yZWyjpUCEOSCdw5h8mfM
SigningID: 02yZZuK4HU3Fkqw64rBrIG
Signing date: 12/20/2024
IP Address: 76.89.236.12
Email: jc@newcreationbuilders.com

For
Name
Title



Signed on 2024-12-20 00:09:07 GMT

Secured by Concord™
DocumentID: 02yZWyjpUCEOSCdw5h8mfM
SigningID: 02yZa0ceU5XdLKQy766Okz
Signing date: 12/20/2024
IP Address: 107.131.11.226
Email: wcurley@harperburns.com

For
Name
Title



Signed on 2024-12-20 00:12:38 GMT

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DocumentID: 02yZWyjpUCEOSCdw5h8mfM
SigningID: 02yZa5wyrNZsW55SYkfTpl
Signing date: 12/20/2024
IP Address: 166.199.89.16
Email: rperez@cityofpalmdale.org

For
Name
Title



Signed on 2024-12-20 00:27:17 GMT

Secured by Concord™
DocumentID: 02yZWyjpUCEOSCdw5h8mfM
SigningID: 02yZaSG8q9GWcnNaCk7bgg
Signing date: 12/20/2024
IP Address: 206.171.111.149
Email: rscott@cityofpalmdale.org

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Signed with www.concordnow.com

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER'S OFFICE**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-061, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ADOPTING AN AMENDED CONFLICT OF INTEREST CODE CONTAINING REVISED DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES, AND REPEALING ALL PRIOR RESOLUTIONS**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-061, a Resolution of the City Council of the City of Palmdale adopting an amended Conflict of Interest Code containing revised designated positions and disclosure categories and repealing all prior resolutions.

BACKGROUND

The Political Reform Act of 1974 (*California Government Code* Section 81000, et seq.), requires the City of Palmdale to adopt a conflict-of-interest code. The Fair Political Practices Commission (FPPC) has adopted a resolution (2 California Code of Resolutions Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code.

In 2025, the City of Palmdale adopted its conflict-of-interest code through Resolution No. CC 2025-008, incorporating the terms of 2 California Code of Regulations Section 18730 by reference along with an appendix setting out which employees, members, and consultants are designated to which disclosure categories.

DISCUSSION

In accordance with *California Government Code* Section 87306.5, the City Attorney has reviewed the current conflict-of-interest code and determined that it is outdated and requires amendments. The proposed amendments to the list of designated positions

attached to the Resolution include additions, deletions, and renaming positions to align with the City's current job classification and duties.

The proposed Resolution addresses these necessary changes and would repeal and replace the current conflict-of-interest code, adopted by Resolution No. CC 2025-008, in its entirety.

FISCAL IMPACT

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

STRATEGIC PLAN

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

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Reso. No. CC 2026-061

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-061

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, ADOPTING AN AMENDED CONFLICT OF INTEREST CODE CONTAINING REVISED DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES, REPEALING ALL PRIOR RESOLUTIONS, AND DESIGNATING POSITIONS REQUIRED TO COMPLETE ETHICS TRAINING AND FISCAL & FINANCIAL TRAINING PURSUANT TO NEW LEGISLATION

I. INTENT OF THE CITY COUNCIL

1. The Political Reform Act, Government Code Section 81000 *et seq.,* requires the City to adopt and promulgate a Conflict-of-Interest Code; and

2. The Fair Political Practices Commission ("FPPC") has adopted a standard model Conflict of Interest Code. The standard model code is codified at 2 California Code of Regulations Section 18730 and can be incorporated by reference by the City as the City's Conflict of Interest Code; and

3. Pursuant to Government Code Section 82019, a designated employee in the City's Conflict of Interest Code may be any City of Palmdale officer, employee, committee member or consultant designated in the Code because the position entails the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest; and

4. The term "designated employee" does not include public officials specified in Government Code Section 87200, such as, City Councilmembers, Planning Commissioners, City Manager, City Attorney, City Treasurer, and other public officials who manage public investments, who instead file Statements of Economic Interests (Form 700) pursuant to Government Code Section 87200 et seq. and not under the City's Conflict of Interest Code; and

5. The City Council has previously amended the City's Conflict of Interest Code in 2025, updating designated positions and disclosure categories for certain departments of the City; and

6. There have been personnel changes that require revisions to the Designated Positions list; and

7. The City Council has determined the attached Appendices A and B accurately set forth the updated positions that should be designated and the disclosure categories for each listed City department; and

8. Effective January 1, 2026, pursuant to Government Code Sections 53235 and 53235.1, the requirement to complete a two-hour biennial ethics training was expanded to include department heads, and similar administrative or managerial officers across local agencies; and

9. Effective January 1, 2026, Government Code Section 53238 through 53238.4

created an additional two-hour biennial fiscal and financial training requirement for individuals including elected officials, appointed officers, and designated employees who make decisions about or recommendations pertaining to public finances; and

10. All legal preconditions to the adoption of this resolution have occurred as required by law.

II. RESOLUTION

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Palmdale as follows:

SECTION 1. Recitals. Part I of this Resolution, Intent of the City Council hereby incorporated by reference if fully set forth herein.

SECTION 2. Incorporation of State Regulations by Reference. With the additions noted below, the terms of Title 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission is hereby incorporated by reference and together with Appendix A, which sets forth the designated positions and disclosure categories for each City department, and Appendix B, which sets forth the designated types of consultants and disclosure categories, are hereby incorporated by reference and shall constitute the Conflict of Interest Code for the City of Palmdale.

SECTION 3. Designated Positions with Reporting Requirements. Members of boards and commissions appointed by the City Council and persons holding designated positions listed in Appendix A shall file statements of economic interest pursuant to this adopted Conflict of Interest Code and shall complete the ethics training required by Government Code Section 53235. The City Council hereby directs the City Clerk and City Attorney to coordinate the preparation of a revised Conflict of Interest Code in the future in succeeding even-numbered years in accordance with the requirements of Government Code Sections 87306 and 87306.5, as amended from time to time. The revised Code should reflect any changes in department or employee designations. If no revisions to the Code are required, the City Clerk shall submit a report no later than October 1st of the same year, stating that amendments to the Code are not required.

SECTION 4. All other resolutions of the City Council adopting or amending the City's Conflict of Interest Code, are hereby repealed in their entirety and replaced by this Resolution.

SECTION 5. The City Clerk shall certify the adoption of this Resolution and shall cause a certified Resolution to be filed in the book of original resolutions.

PASSED, APPROVED, AND ADOPTED this 9th day of November 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Taylor Anderson, Deputy 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 9th day of November 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____ _____
Rochelle Scott, City Clerk

APPENDIX A

CITY COUNCIL AND COMMISSION MEMBERS ARE REQUIRED TO FILE DISCLOSURES PURSUANT TO CALIFORNIA GOVERNMENT CODE 87200

CITY ATTORNEY

Designated Position	Disclosure Categories
City Attorney*	5
Assistant City Attorney*	1,2,3,4
Deputy City Attorney*	1,2,3,4

*Contract Public Officers

CITY ATTORNEY DEPARTMENT
DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B).

2. Reportable income and business positions. (FPPC Form 700, Schedules C and D).

3. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2).

4. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F).

5. No disclosure is required by this Conflict of Interest Code. Disclosure is required by Government Code Section 87200.

APPENDIX A

CITY MANAGER, ET AL.

Designated Position	**Disclosure Categories**
City Manager	5
Assistant City Manager	1,2,3,4
Deputy City Manager	1,2,3,4
Analyst I/II/Sr	1,2,3,4
Coordinator I/II/Sr	1,2,3,4
Communications	
Manager I/II/Sr/Public Information Officer	1,6,7,8
Analyst I/II/Sr	1,6,7,8
Human Resources	
Director	1,9,10,11
Manager I/II/Sr	1,9,10,11
Analyst I/II/Sr	1,9,10,11
Specialist I/II/Sr	1,9,10,11
Safety Officer	1,9,10,11
City Council	
City Council Liaison	1,12,13,14

City Clerk

City Clerk	1,12,13,14
Manager I/II/Sr	1,12,13,14
Advisory Redistricting Commission Member	1,2,3,4

Finance

Director	5
City Treasurer	5
Manager I/II/Sr	5
Deputy City Treasurer/Deputy Director	1,21,22,23,24,25,26
Analyst I/II/Sr	1,21,22,23,24,25,26
Buyer I/II/Sr	1,21,22,23,24,25,26
Buyer	1,21,22,23,24,25,26
Audit Committee Member	1,2,3,4
Measure AV Oversight Committee Member	1,2,3,4

IT

Manager I/II/Sr	1,2,3,4
Analyst I/II/Sr	1,30,31,32
Specialist I/II/Sr	1,30,31,32
Technician I/II/Sr	1,30,31,32

CITY MANAGER, ET AL.

DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B).
2. Reportable income and business positions. (FPPC Form 700, Schedules C and D).
3. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2).
4. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F).
5. No disclosure is required by this Conflict of Interest Code. Disclosure is required by Government Code Section 87200.
6. Reportable income from any persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Communications Department.
7. Reportable investments in any business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Communications Department.
8. Reportable business positions in any business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Communications Department.
9. Reportable income from any persons or business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Human Resources Department.
10. Reportable investments in any business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Human Resources Department.
11. Reportable business positions in any business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Human Resources Department.
12. Reportable income from persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the City Clerk's Office.
13. Reportable investments in business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the City Clerk's Office.

14. Reportable business positions in business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the City Clerk's Office.

15. Reportable income from any persons or business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Business License Coordinator.

16. Reportable investments in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Business License Coordinator.

17. Reportable business positions in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Business License Coordinator.

18. Reportable income from any persons or business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Community Programs Coordinator.

19. Reportable investments in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Community Programs Coordinator.

20. Reportable business positions in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Community Programs Coordinator.

21. Reportable income from any financial institution in which the City or the Successor Agency to the Community Redevelopment Agency deposits funds, plans to deposit funds, or has deposited funds within two years prior to the time any statement is required under this Conflict of Interest Code.

22. Reportable investments in any financial institution in which the City or the Successor Agency to the Community Redevelopment Agency deposits funds, plans to deposit funds, or has deposited funds within two years prior to the time a statement is required under this Conflict of Interest Code.

23. Reportable business positions in any financial institution in which the City or the Successor Agency to the Community Redevelopment Agency deposits funds, plans to deposit funds or has deposited funds within two years prior to the time a statement is required under this Conflict of Interest Code.

24. Reportable income from any persons or business entities from which the City or the Successor Agency to the Community Redevelopment Agency purchases, plans to

purchase or has purchased within two years prior to the time a statement is required under this Conflict of Interest Code, supplies, materials, or services.

25. Reportable investments in any business entities from which the City or the Successor Agency to the Community Redevelopment Agency purchases, plans to purchase or has purchased within two years prior to the time a statement is required under this Conflict of Interest Code, supplies, materials, or services.

26. Reportable business positions in any business entities from which the City or the Successor Agency to the Community Redevelopment Agency purchases, plans to purchase or has purchased within two years prior to the time a statement is required under this Conflict of Interest Code, supplies, materials, or services.

27. Reportable income from any persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the SAVES program.

28. Reportable investments in any business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the SAVES Program.

29. Reportable business positions in any business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the SAVES program.

30. Reportable income from persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Information Technology (IT) Division.

31. Reportable investments in business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Information Technology IT) Division.

32. Reportable business positions in business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Information Technology (IT) Division.

33. Reportable income from any persons or business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Energy Resources Manager.

34. Reportable investments in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Energy Resources Manager.

35. Reportable business positions in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Energy Resources Manager.

APPENDIX A

ECONOMIC & COMMUNITY DEVELOPMENT

Designated Position	**Disclosure Categories**
Director	1,2,3,4
Deputy Director	1,2,3,4
Building & Safety	
Building Official	1,5,6,7
Supervising Inspector	1,8,9,10
Inspector I/II/Sr	1,8,9,10
Supervising Technician	1,11,12,13
Analyst I/II/Sr	1,23,24,25
Supervising Plan Reviewer	1,14,15,16
Economic Development	
Manager I/II/Sr	1,2,3,4
Coordinator I/II/Sr	1,20,21,22
Analyst I/II/Sr	1,2,3,4
Planning	
Manager I/II/Sr	1,2,3,4
Senior Planner	1,17,18,19
Assistant Planner	1,17,18,19
Associate Planner	1,17,18,19

Coordinator I/II/Sr	1,17,18,19

Housing

Manager I/II/Sr	1,5,6,7
Supervising Coordinator	1,5,6,7
Coordinator I/II/Sr	1,5,6,7
Technician I/II/Sr	1,5,6,7
Analyst I/II/Sr	1,5,6,7

ECONOMIC & COMMUNITY DEVELOPMENT

DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B).
2. Reportable income and business positions. (FPPC Form 700, Schedules C and D).
3. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2).
4. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F).
5. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building and Safety Division.
6. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Building and Safety Division.
7. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building and Safety Division.
8. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building Inspector.
9. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Building Inspector.
10. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building Inspector.
11. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Technician.
12. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Technician.

13. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Technician.

14. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Plan Reviewer.

15. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Plan Reviewer.

16. Reportable business positions in any business entities having an interest in real properly in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Plan Reviewer.

17. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services subject to the review or approval of the Planning Division.

18. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services subject to the approval or review of the Planning Division.

19. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services subject to the approval or review of the Planning Division.

20. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Economic Development Division.

21. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Economic Development Division.

22. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Economic Development Division.

23. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building and Safety Division.

24. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Building and Safety Division.

25. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Building and Safety Division.

26. No disclosure is required by this Conflict of Interest Code. Disclosure is required by Government Code Section 87200.

APPENDIX A

PUBLIC SAFETY

Designated Position	Disclosure Categories
Director	1,8,9,10
Deputy Director	1,8,9,10
Manager I/II/Sr	1,8,9,10
Coordinator I/II/Sr	1,8,9,10
Supervising Coordinator	1,8,9,10
Specialist I/II/Sr	1,8,9,10
Community Service Officer	1,8,9,10
Code Enforcement Officer I/II/Sr.	1,8,9,10
Neighborhood Compliance Officer (FT,PT)	1,8,9,10

PUBLIC SAFETY

DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B).
2. Reportable income and business positions. (FPPC Form 700, Schedules C and D).
3. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2).
4. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F).
5. Reportable income from persons and business entities involved in the construction or renovation of housing, that have an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this conflict of interest code, supplies or services subject to the review or approval of the City of Palmdale.
6. Reportable investments in any business entities involved in the construction or renovation of housing, that have an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this conflict of interest code, supplies or services subject to the approval or review of the City of Palmdale.
7. Reportable business positions in any business entities involved in the construction or renovation of housing, that have an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this conflict of interest code, supplies or services subject to the approval or review of the City of Palmdale.
8. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Neighborhood Services Department.
9. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Neighborhood Services Department.
10. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Neighborhood Services Department.
11. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Emergency Services Administrator.
12. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the

time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Emergency Services Administrator.

13. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of the Emergency Services Administrator.

APPENDIX A

PUBLIC WORKS

Designated Position	**Disclosure Categories**
Director of Public Works	1,2,3,4
Deputy Director of Public Works	1,2,3,4
Manager I/II/Sr	1,5,6,7
Analyst I/II/Sr.	1,2,3,4
Project Manager	1,5,6,7
Capital Improvements	
Manager I/II/Sr	1,5,6,7
Senior Civil Engineer	1,5,6,7
Project Manager	1,5,6,7
Engineering/Environmental	
City Engineer	1,8,9,10
Senior Civil Engineer	1,8,9,10
Manager I/II/Sr.	1,5,6,7
Manager	1,5,6,7
Supervising Public Inspector	1,8,9,10
Inspector I/II/Sr	1,8,9,10
Associate Engineer	1,8,9,10
Assistant Engineer	1,8,9,10
Traffic Engineer	1,8,9,10
Technician I/II/Sr	1,8,9,10
Specialist I/II/Sr	1,8,9,10

Analyst I/II/Sr	1,8,9,10
Maintenance*	
Superintendent	1,5,6,7
Technician I/II/Sr	1,11,12,13
Inspector I/II/Sr	1,8,9,10
Manager I/II/Sr	1,5,6,7
Analyst I/II/Sr	1,5,6,7
Senior Maintenance Specialist	1,5,6,7

*use job function more than titles in the event of uncertainty

PUBLIC WORKS

DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B).

2. Reportable income and business positions. (FPPC Form 700, Schedules C and
3. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2).
4. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F).
5. Reportable income from persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Public Works Department.
6. Reportable investments in business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Public Works Department.
7. Reportable business positions in business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the Public Works Department.
8. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Public Works Department.
9. Reportable investments in any business entities having an interest in real properly in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Public Works Department.
10. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Public Works Department.
11. Reportable income from persons and business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, review or approval of the Technician.
12. Reportable investments in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services within the jurisdiction subject to the inspection, approval or review of the Technician.
13. Reportable business positions in any business entities having an interest in real property in the jurisdiction or that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code,

services within the jurisdiction subject to the inspection, review or approval of the Technician.

APPENDIX A

PARKS & RECREATION

Designated Position*	Disclosure Categories

Director	1,2,3,4
Deputy Director	1,2,3,4
Manager, I/II/Sr	1,2,3,4
Supervisor I/II/Sr	1,2,3,4
Supervising Coordinator	1,2,3,4
Coordinator I/II/Sr	1,2,3,4
Specialist I/II/Sr	1,2,3,4
Analyst I/I/Sr	1,2,3,4
Public Art Commissioner	1,2,3,4
Emergency Services Administrator	1,2,3,4

*Includes Recreation, Community Programs, Events and Culture and Parks and Facilities

PARKS & RECREATION

DISCLOSURE CATEGORIES

1. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule 8).

2. Reportable income from any persons or business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of Parks & Recreation.
3. Reportable investments in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of Parks & Recreation.
4. Reportable business positions in business entities that provide, plan to provide, or have provided within two years prior to the time a statement is required under this Conflict of Interest Code, services or supplies to the City under the direction of Parks & Recreation.
5. Reportable income from persons or business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the water park.
6. Reportable investments in business entities that provide, plan to provide or have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the water park.
7. Reportable business positions in business entities that provide, plan to provide, or that have provided within two years from the time a statement is required under this Conflict of Interest Code, services, supplies, materials or equipment of the type utilized by the water park.

APPENDIX B

CONSULTANTS

(G)

Designated Position	**Disclosure Categories**
Consultant Serving in a Staff Capacity	1
Consultant Not Serving in a Staff Capacity	2

CONSULTANTS

DISCLOSURE CATEGORIES

1. For consultants who serve in a staff capacity with the City, the consultant shall disclose based on the disclosure categories assigned elsewhere in this code of that staff position.

2. For consultants who do not serve in a staff capacity for the City, the following disclosure categories shall be used:

   Persons required to disclose in this category shall disclose pursuant to categories A, B, C and D below unless the City Manager determines in writing that a particular consultant is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in categories A, B, C and D. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

   A. Reportable interests in real property in the jurisdiction. (FPPC Form 700, Schedule B.)

   B. Reportable income and business positions. (FPPC Form 700, Schedules C and D).

   C. Reportable investments. (FPPC Form 700, Schedules A-1 and A-2.)

   D. Reportable gifts and travel gifts. (FPPC Form 700, Schedules E and F)

MINUTES
CITY COUNCIL/SA/HA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
OCTOBER 6, 2026
5:00 PM

1) CALL MEETING TO ORDER

Mayor Ohlsen called the meeting to order at 5:02 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, Dianne Betts.
ABSENT: None.

3) PLEDGE OF ALLEGIANCE

Mayor Ohlsen led the pledge of allegiance and called for a moment of silence in memory of Ms. Sandy Corrales.

4) NON-AGENDA PUBLIC COMMENTS

Rich Gallego discussed the two-minute public comment limit, meeting frequency, the town hall ordinance proposal, and the measure concerning the public's vote for mayor.

Eugene Hernandez discussed meeting access, security procedures, meeting frequency, and the public comment time limit. He thanked city employees Mike Huffington and Sarah Ferguson for their assistance. He opposed the approval of the proposed legal services firm and requested rent control.

Sharon Lucky and Linda Jackson discussed rent control and requested rental assistance. Mayor Ohlsen directed staff to obtain their contact information and review available assistance options.

Marsha discussed breast cancer awareness month, announced she was 22 years cancer-free, and invited residents to the October 24 walk at the Palmdale Amphitheater.

Marcos Alvarez offered to exchange information with the residents seeking rental assistance. He spoke in opposition of approving the contract with Colantuono, Highsmith & Whatley, PC.

Mayor Ohlsen closed Public Comments.

5) HOUSING AUTHORITY CONSENT CALENDAR

Public Comments: None.

Councilmember Alarcón requested staff reports on 5.1 and 5.2.

5.1) Adopt Resolution No. HA 2026-002, a Resolution of the Housing Authority of the City of Palmdale declaring certain properties authority-owned properties exempt surplus land under the Surplus Land Act (SLA), as amended.

Interim Housing Manager LeNoue presented the staff report.

Council and staff discussed the properties proposed for designation as surplus land, including the locations currently used to provide services to low-income neighborhoods. Discussion included the potential sale of the City-owned property on 4th Street and identifying alternative properties that could be used to continue providing services to low-income neighborhoods. Council and staff also discussed developing a policy and protocol to establish guidelines and procedures for the sale of City-owned properties.

Councilmembers discussed an equitable outreach and selection process for any future sales, including a qualified applicant pool, a lottery and possible priority for organizations already providing services. They also discussed retaining the programmed properties, assessing repair needs and costs, and using possible sale proceeds for deferred maintenance. Staff identified maintenance as the principal financial impact of retaining the properties and offered to conduct an assessment.

Mayor Ohlsen requested a report on the other properties' programs, utilization, and frequency of use.

Motion: Move to take action on the 4th Street property.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (7-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.

5.2) Receive and file the Housing Authority of the City of Palmdale 2025-2026 Annual Report pursuant to Health and Safety Code Sections 34328 and 34328.1, and authorize the Executive Director or his designee to submit the report to the California Department of Housing and Community Development (HCD).

Interim Housing Manager LeNoue presented the staff report.

The Commissioners and staff discussed the Linc Housing report. They also spoke about the importance of meeting with the residents at the Boulders at the Ranch to explain why

the recertification process is important.

Motion: Receive and file the Housing Authority of the City of Palmdale 2025-2026 Annual Report pursuant to Health and Safety Code Sections 34328 and 34328.1, and authorize the Executive Director or his designee to submit the report to the California Department of Housing and Community Development (HCD).
Moved by Richard J. Loa, seconded by Dianne Betts.

Vote: Motion carried (7-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.

5.3) Approve the minutes from the previous meeting.

Motion: Approve the minutes from the previous meeting.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (7-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.

Mayor Ohlsen adjourned the Housing Authority at 5:50 pm.

6) CONSENT CALENDAR

Public Comments: None.

Mayor Eric Ohlsen closed the public comments.

The following items were pulled for discussion: 6.2 and 6.9.

The remaining calendar was approved before consideration of the pulled items; its collective action is recorded below after the individual item records.

6.1) Receive and file the Monthly Investment Activity Reports for August 2026.

6.2) Adopt Resolution No. CC 2026-060, a Resolution of the City Council of the City of Palmdale to transfer unclaimed checks from their respective funds to the general fund pursuant to California Government Code Section 50050-50057.

Deputy City Manager Samson presented the staff report.

Mayor Ohlsen inquired whether checks payable to the late Mr. David Gomez could be transferred to his widow. Deputy City Manager Samson explained that the estate representative could submit the required forms to the Finance Division to claim the funds. Councilmember Alarcón asked about the notification process, which Deputy City Manager Samson outlined. Councilmember Bettencourt questioned why the funds would be transferred to the General Fund rather than listed on the Secretary of State's website for claims. Deputy City Manager Samson explained the applicable Government Code

provisions and pointed out that some funds had been claimed.

Councilmember Alarcón suggested posting it on the City website and bringing back a policy that mandates that we create on our website outstanding unclaimed checks. Deputy City Manager Samson stated staff would look into it. Mayor Pro Tem Bishop asked if it was due to State law that the City can't simply mail the check. Deputy City Manager pointed out that some checks have been mailed but were not cashed.

Motion: Table the item thirty to sixty days, post the information on the City website, and do outreach. 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.

6.3) Approve first amendment to agreement with Vander Weele Group, LLC, for financial forensic review services, for a total not to exceed amount of $190,520, and exercising the first option to extend the term for one year, through October 2027.

6.4) Adopt Resolution No. CC 2026-057, a Resolution of the City Council of the City of Palmdale authorizing the execution of a Section 108 Loan Guarantee agreement with the United States Department of Housing and Urban Development (HUD) for a $6,432,000 loan to finance the construction of a new facility located at 38820 3rd Street East to relocate the SAVES Program.

6.5) Energy for Palmdale's Independent Choice (EPIC) 2025 Power Source Disclosure Attestation.

6.6) Approve First Amendment to Agreement with Majestic Fire, Inc., dba Kord Fire Protection for fire system inspections and repairs, for a total not to exceed amount of $165,000, and exercising the first one-year option to extend the contract term through December 2027.

6.7) Approve Agreement with Telecom Partners Group Corp., dba ATS Communications, for wireless communications facilities consulting services, for a total not to exceed amount of $350,000, for a term of three years, with two optional one-year extensions.

6.8) Approve Agreement with Parsons Transportation Group, Inc., for Environmental Services for Rancho Vista Boulevard Grade Separation Project, PN 914, for a total not to exceed amount of $219,894, for a term of one year from the date of the Notice to Proceed.

6.9) Approve Requisition with US Air Conditioning Distributors, LLC, for procurement of Owner-Furnished Contractor Installed (OFCI-4) Rooftop Mechanical Equipment and (OFCI-5) Variable Air Volume Equipment for Chimbole Center Renovation Phase I Project, for a total not to exceed amount of $576,528.

Director Torres presented the staff report, discussed the proposal and provided the funding source. Councilmember Loa discussed the importance of the bidding process, providing opportunities for local businesses to participate in the bidding process, and ensuring that bidding materials and contract information are made available to the Council

for review.

Motion: Approve Requisition with US Air Conditioning Distributors, LLC, for procurement of Owner-Furnished Contractor Installed (OFCI-4) Rooftop Mechanical Equipment and (OFCI-5) Variable Air Volume Equipment for Chimbole Center Renovation Phase I Project, for a total not to exceed amount of $576,528.
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.

6.10) Approve Requisition with Chef's Depot, Inc., dba Culinary Depot, for procurement of owner-furnished contractor-installed (OFCI-6) food service equipment for Chimbole Center Renovation Project Phase I, PN 878, for a total not to exceed amount of $460,207.

6.11) Approve the minutes from the previous meeting.

Motion: Approve all items on the Consent Calendar except 6.2 and 6.9.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

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

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

7.1) Approve Agreement No. A-10093, with Colantuono, Highsmith & Whatley, PC, for legal services, including the appointment of Aleks R. Giragosian as City Attorney.

Director Barrios presented the staff report and provided the background on the nationwide recruitment process launched by Bob Murray in June 2026.

Councilmember Alarcón raised concerns about the contract, including billing practices, a fee cap, and the review process. Director Barrios detailed the process, described subsequent revisions, and presented the updated ten-page agreement provided at the dais, including changes to Section 14 addressing general liability, cyber, and crime insurance.

Councilmember Alarcón questioned the time available for review, the initial distribution process, and whether the agreement followed Council direction on a fee cap. Staff referred to Section 4, subsection F, regarding annual estimated costs. Council discussed the distinction between an estimate requiring further approval and an express cap. Councilmember Loa stated that his edits concerned format and insurance and that he continued to prefer the other firm.

Councilmember Bettencourt proposed tabling the item to allow review of the revisions, and Mayor Pro Tem Bishop seconded the proposal and suggested consideration after the election. No vote was taken.

Mayor Ohlsen asked whether a Closed Session item could be added to the agenda. City Attorney stated it could be discussed during the case transfer Closed Session item on the agenda. Councilmember Alarcón stated it could also be added to the agenda.

Councilmember Loa requested a vote to approve or reject rather than to table.

Attorney Aleks Giragosian discussed the cap language and was willing to amend it. He responded to earlier negative public comments about the firm, disputed those characterizations, and discussed the firm's client and staff diversity. He invited members of the public to discuss their concerns with him.

Public Comments: Kevin Shenkman spoke against approving this item.

Mayor Ohlsen closed the public comments.

Mayor Ohlsen made a motion to add an item to the Closed Session, Councilmember Bettencourt seconded the motion.

Mayor Ohlsen called for the motion Councilmember Bettencourt made to table the item. The motion failed.

Mayor Ohlsen moved to add an item to the Closed Session. Councilmember Bettencourt seconded the motion. The motion passed 4-1 with Councilmember Loa voting "No."

Councilmember Alarcón made a motion that Council not approve the agreement, seconded by Councilmember Loa. Motion passed 4-0, with Mayor Pro Tem Bishop abstaining.

Motion: Motion not to approve the agreement.
Moved by Andrea Alarcón, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Eric Ohlsen, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.
Abstain: Austin Bishop.

7.2) Approve Requisition with AV Heritage Builders, Inc., for the purchase of a 13,000 square foot metal building system, for a total not to exceed amount of $621,345.

Deputy Director Livingston presented the staff report. Council discussed the need to complete the SAVES facility. Public Comments: None.

Motion: Approve Requisition with AV Heritage Builders, Inc., for the purchase of a 13,000 square foot metal building system, for a total not to exceed amount of $621,345.
Moved by Laura Bettencourt, seconded by Austin Bishop.

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

7.3) Approve Agreement with Musco Sports Lighting, LLC, for design-build services for the Sam Yellen Park Phase II Futsal Court Lighting Project, for a total not to exceed amount of $526,916, for a term of 110 working days from the date of the Notice to Proceed.

Director Torres presented the staff report and spoke about the project, estimated completion date, and funding.

Public Comments: Mr. Maldonado spoke in support of the Sam Yellen Park project and discussed the permanent lighting and turf conditions at Domenic Massari Park.

Mayor Ohlsen communicated that, for Domenic Massari Park, the money is allocated and underway, spoke about the structures and turf conditions, and asked about delays in permanent lighting and turf conditions at another park used by the Palmdale Youth Soccer League.

Mayor Ohlsen stated that funds for the other lighting project were allocated and studies were underway. He explained that the futsal courts had an existing structure for mounting lights, while the other project required ground installation and additional environmental and engineering studies. He discussed outreach to leagues and residents, and the effect of heavy park use on turf.

Councilmember Andrea Alarcón described the earlier temporary emergency lighting arranged by Mayor Ohlsen and subsequent work on permanent lighting funding and contracts.

Motion: Approve Agreement with Musco Sports Lighting, LLC, for design-build services for the Sam Yellen Park Phase II Futsal Court Lighting Project, for a total not to exceed amount of $526,916, for a term of 110 working days from the date of the Notice to Proceed.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

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

8) CITY MANAGER'S REPORT

City Manager Mendez announced upcoming community events, including Fluffy entertainment at the Palmdale Amphitheater on October 9, the Chimbole Cultural Center groundbreaking ceremony at the Civic Center on October 9, the fifth annual You Are Enough Mental Health Walk at Poncitlán Square on October 10, and Kaleidoscope at the Palmdale Am phitheater on October16–17.

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

Councilmember Alarcón reiterated her request, made at previous meetings, for an update on the Multi-Agency Regional Resilience Center (MARRC). City Manager Mendez reported that he had met with the Fairgrounds Director and that an update would be available in January.

Mayor Ohlsen requested clarification regarding terms and commitments discussed from the dais that he indicated were not included in the Memorandum of Understanding (MOU), as well as information on how those matters could be addressed.

Councilmember Loa stated that Director Jacobs of the Antelope Valley Fairgrounds was willing to provide a report on the fairgrounds and its emergency response capabilities. He noted that the fairgrounds had provided temporary shelter for animals during the Bouquet Fire and more than 100 beds during the COVID-19 pandemic.

Councilmember Bettencourt discussed the City's $10 million contribution to MARRC and requested that emergency shelter spaces be reserved for Palmdale residents. She stated she had been informed that spaces would not be reserved specifically for Palmdale residents.

Council discussed access to emergency shelter resources during fires, floods, and earthquakes, as well as the importance of ensuring residents understand the procedures for accessing available shelter services.

Councilmember Alarcón requested that the City's fee schedule be reconsidered, particularly the fees associated with mobile home park rent-increase appeals. Mayor Ohlsen appointed Councilmembers Alarcón and Bettencourt to an ad hoc committee to review the fee issue and bring recommendations back to Council.

Councilmember Alarcón requested that the defibrillator item be brought back for further consideration. City Manager Mendez reported that a vendor was already engaged, the program was being evaluated, and new laws governing the program would take effect in 2028. He discussed the importance of ensuring public access to the devices and indicated that a detailed memorandum would be distributed the following day.

Councilmember Alarcón requested that the following items be brought back for consideration at the next City Council meeting. Councilmember Bettencourt seconded the motion. The motion was approved unanimously.

- An update on MARRC, including written correspondence, if available.
- Defibrillators for City properties.
- City Attorney oversight policy.
- City Manager oversight policy.

10) CLOSED SESSION

PRESENTATION BY CITY ATTORNEY

The City Attorney introduced items 10.1, 10.2 and 10.3 and announced added item 10.4, public employment, City Attorney recruitment, under Government Code Section 54957, pursuant to the earlier Council motion.

Public Comments: Kevin Shenkman addressed item 10.2.

Aleks R. Giragosian responded to the earlier Barstow billing statement made by Mr.

Shenkman Mayor Ohlsen closed the public comments.

10.1) Conference with Legal Counsel - Review of pending litigation and case transition Government Code Section 54956.9(d)(1)

10.2) 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).

10.3) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Chasandra Smith v. City of Palmdale, et al.
Los Angeles Superior Court 24AVCV00764
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

11) ANNOUNCEMENT BY CITY ATTORNEY

Closed Session was held from 7:00 pm – 8:45 pm.

Director Barrios announced the following:

10.1) The Council voted 4-1 for Harper and Burns to retain the five cases approved during closed session.

10.2) No action was taken.

10.3) No action was taken.

10.4) Council voted 3-2 to move forward with the Colantuono, Highsmith & Whatley contract with three amendments: strike the 30- day notice period, change the term from four years to one year, and replace Section 4’s billing provision with a fixed cap of $1,638,000, with any amount above the cap requiring return to the Council.

12) ADJOURN

Councilmember Alarcón requested adjournment in memory of Domitilia Menendez, mother of Felix Menendez, leader of SALVA, and extended condolences to the Menendez family on behalf of the City.

Mayor Ohlsen adjourned the meeting at 8:46 pm to November 3, 2026, at 5:00 pm in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED this 9th day of November 2026.

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

MINUTES
CITY COUNCIL
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
OCTOBER 20, 2026
5:00 PM

1) CALL MEETING TO ORDER

Mayor Pro Tem Bishop called the meeting to order 5:05 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: Austin Bishop, Richard J. Loa, Laura Bettencourt.
ABSENT: Eric Ohlsen, Andrea Alarcón.

3) PLEDGE OF ALLEGIANCE

Councilmember Bettencourt led the Pledge of Allegiance, followed by a moment of silence.

Mayor Pro Tem Bishop requested that the City Council move to go into Closed Session.

Councilmember Loa raised questions regarding proceeding into Closed Session at that time. He also inquired whether an exception could be granted to allow Councilmember Alarcón to participate remotely, and discussed the possibility of continuing Item 4.1. City Attorney Giragosian discussed his recommendation for switching the order of the items, clarified the Brown Act requirements for remote participation, including the applicable noticing requirements for the meeting. He further explained that one of the Closed Session items needed to be addressed due to a deadline.

Motion: Continue item 4.1 to the next meeting of the City Council.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (3-0)
Yes: Austin Bishop, Richard J. Loa, Laura Bettencourt.
Absent: Eric Ohlsen, Andrea Alarcón.

4) NEW BUSINESS

4.1) Approve Agreement with Colantuono, Highsmith & Whatley, PC, for legal services, including the appointment of Aleks R. Giragosian as City Attorney.

5) CLOSED SESSION

5.1) Public Employee Appointment (Gov. Code 54957)Title: City Attorney

5.2) Public Employment (Gov. Code 54957)Title: City Attorney

5.3) Conference with Legal Counsel; Existing Litigation (Gov. Code 54956.9(d)) (1))The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation. Case Name: Ronda Perez v. City of Malibu et al.Case No.: 26STCV26814

The following individuals provided public comments: Councilmember Alarcón discussed the continuation of item 4.1 and her inability to participate in the meeting remotely. A motion was made and seconded to extend time for Councilmember Alarcón to make public comments, Council approved unanimously.

Mayor Pro Tem Bishop asked for clarification on why this meeting was scheduled. City Attorney Giragosian clarified that there were two items that needed to be discussed, one was statutory and the other was required due to switching law firms.

Councilmember Alarcón further discussed the posting of the agenda and the deadline.

The following individuals provided public comments: Eugene Hernandez commented on suppressing political opinions and rent control, Rich Gallego discussed Item 5.3, Dianne Betts presented the Waste Management Invoice and commented on receiving discounted rates, Walter commented on the Zoom call-in information provided for the meeting, Kevin Shenkman commented on Government Code provisions related to remote participation, Marcos Alvarez discussed conducting City business at the meetings, and Ms. Maldonado commented on the allotted time for public comments.

6) ANNOUNCEMENT BY CITY ATTORNEY

Closed Session was held from 5:37 pm - 6:31 pm.

City Attorney Giragosian announced the following:

4.1) The item was continued to the next meeting.

4.2) No reportable action was taken.

4.3) The City Council voted unanimously to deny the request for Councilmember Alarcón for defense and indemnity.

7) ADJOURN

Mayor Pro Tem Bishop adjourned the meeting at 6:33 pm.

PASSED, APPROVED, and ADOPTED this 9th day of November 2026.

_____

Eric Ohlsen, Mayor

ATTEST:

_____

Rochelle Scott, City Clerk

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **5**

SUBJECT: **ADOPT RESOLUTION NOS. CC 2026-062 AND CC 2026-063, RESOLUTIONS OF THE CITY COUNCIL OF THE CITY OF PALMDALE INITIATING PROCEEDINGS FOR THE ANNEXATION OF TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204, PRELIMINARILY APPROVING THE ANNEXATION AND ANNUAL LEVY REPORT, DECLARING THE CITY'S INTENTION TO ANNEX TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204 AND TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2026-27**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-062, a Resolution of the City Council of the City of Palmdale, initiating proceedings for the annexation of territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204;

2. Adopt Resolution No. CC 2026-063, a Resolution of the City Council of the City of Palmdale, declaring the City's intention to annex territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204;

3. Authorize the Mayor to execute Resolution Nos. CC 2026-062 and CC 2026-063, initiating annexation proceedings and declaring the City's intent to annex, and preliminarily approving the Annexation and Annual Levy Report for the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204; and,

4. Set the time and place for a public hearing on November 9, 2026, and order the initiation of assessment ballot proceedings.

BACKGROUND

The developer of a multi-family housing project located on the northwest corner of Avenue Q and 25th Street East, Palmdale Family Apartments LP, has requested the annexation of their parcels into the City's Streetlight Maintenance District for the future maintenance of the streetlighting infrastructure required to support their development. This annexation was also a condition of approval for the development identified during the entitlement process.

According to the "Landscaping and Lighting Act of 1972", Part 2 of Division 15 of the California Streets and Highways Code, the City may establish a streetlight maintenance assessment district or annex territory into an existing district to provide for the installation, continued maintenance, and servicing of streetlight improvements. Placing streetlight improvements within a district will ensure their continued maintenance after the developer installs them and the City accepts them.

Article XIII D of the California Constitution and Section 53753 of the California Government Code both require that a notice of the proposed assessment and ballot be mailed to the record owner of each parcel on which an assessment is imposed. Additionally, the Article requires that the City conduct a public hearing no earlier than 45 days from the date of approval of the Resolution of Intention.

At this time, Palmdale Family Apartments LP is the sole owner of the two parcels requesting annexation. The owner has been mailed a petition allowing them to waive the 45-day notice period, thereby shortening the time between the Resolution of Intention and the Public Hearing. A ballot has been mailed to the owner to indicate their support or opposition to the Annexation.

The City has prepared resolutions initiating proceedings, declaring its intention to annex territory to the District, and to levy and collect assessments to fund the cost of maintenance of streetlighting improvements within the Annexation. The City Council has designated NBS as the assessment engineer and has reviewed the preliminary report outlining the Annexation and the proposed annual assessments.

The attached Resolutions and Annexation and Annual Levy Report initiate the process for the Annexation and set a date for the Public Hearing. At the time of the Public Hearing, the returned ballot will be checked. If the vote is yes, the Annexation and Annual Levy Report and Resolution will confirm, and levy assessments on each parcel for the operation, maintenance, and servicing costs of the new streetlighting assets.

DISCUSSION

These two Resolutions are before Council for review and adoption to initiate proceedings, declaring the City's intention to annex territory into the District, preliminarily approving the Annexation and Annual Levy Report, and declaring the City's intention to levy and collect assessments for Fiscal Year 2026-27, and setting the date for the required Public Hearing.

To assist the City with the Annexation proceedings, the City has contracted with the assessment engineer, NBS. NBS has prepared the Annexation and Annual Levy Report, which includes a description of the improvements, the estimated costs of the improvements, a diagram of the Annexation, and the assessment roll containing the Fiscal Year 2026-27 levy for each parcel within the Annexation. NBS is also managing the noticing and balloting process.

FISCAL IMPACT

$9,801.07; The Report indicates the proposed assessments for the City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation 2026-204. The total maximum assessment revenue from the Annexation for fiscal year 2027-28 is $9,801.07, and the City's general benefit contribution is $558.93. The appropriate funding source for the general benefit contribution will be determined during the FY 2026-27 budget review and approval process.

STRATEGIC PLAN

Goal II: Ensure the 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:	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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Reso. No. CC 2026-062
Reso. No. CC 2026-063
Rpt Annexation and Annual Levy

Assessment District Diagram

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-062

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE INITIATING PROCEEDINGS FOR THE ANNEXATION OF TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204, DESCRIBING THE PROPOSED IMPROVEMENTS TO SERVE SAID DISTRICT, AND ORDERING THE PREPARATION OF THE ANNEXATION AND ANNUAL LEVY REPORT

WHEREAS, the City Council (the "Council") of the City of Palmdale ("City"), State of California, has previously formed the City of Palmdale Streetlight Maintenance Assessment District No. 1 (the "District") pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500), and Article XIIID of the California Constitution (collectively referred to as the "Assessment Law"), that provides for the levy and collection of assessments by the County of Los Angeles for the City of Palmdale to finance the cost and expenses of the maintenance of certain improvements described in Section 4 hereof. The Council wishes to annex certain territory to the District. Said annexation shall be known and designated as "City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation 2026-204" (the "Annexation"); and it shall be subject to an assessment under the Assessment Law beginning with the fiscal year commencing July 1, 2026, and ending June 30, 2027.

WHEREAS, the provisions of Article 2 of Chapter 2 of the Assessment Law authorize the annexation of territory to the District;

WHEREAS, such provisions also provide the requirement for the preparation of resolutions, an assessment engineer's report, and notice of public hearing;

WHEREAS, notwithstanding that such provisions of Assessment Law related to the annexation of property to the District, Article XIIID of the Constitution of the State of California establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments on the territory proposed to be annexed to such District;

WHEREAS, the owners of certain property have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the cost and expenses of the maintenance of certain improvements (the "Improvements");

WHEREAS, the Council desires to initiate proceedings to annex territory into the District and to levy annual special benefit assessments within said Annexation; and

WHEREAS, the City has retained NBS for the purpose of assisting with the annexation and annual levy of the Annexation and to prepare and file a report with the City Clerk in accordance with the Assessment Law.

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 above recitals are all true and correct and by this reference made an operative part hereof.

SECTION 2. That the Council hereby proposes the Annexation to the District and the levy of collection and assessments.

SECTION 3. The Council hereby orders NBS to prepare and file with the City Clerk the Annexation and Annual Levy Report concerning the Annexation and the levy and collection of assessments for the fiscal year commencing July 1, 2026, and ending June 30, 2027, in accordance with Chapter 1, Article 4, Section 22565 of the Act.

SECTION 4. Generally, the improvements within the Annexation, which shall be maintained for the benefit of the proposed Annexation and through the special benefit assessments levied annually, shall include, but not be limited to, the following:

(a) the installation, construction, or operation of public lighting, facilities, including, but not limited to, streetlights and any related electrical appurtenances which are necessary or convenient for the maintenance or servicing thereof;

(b) the maintenance and servicing of any of the foregoing.

The Annexation and Annual Levy Report shall describe all improvements.

SECTION 5. The boundaries of the Annexation are described as being located on the northwest corner of Avenue Q East and 25th Street East within the boundaries of the City of Palmdale within the County of Los Angeles, State of California.

SECTION 6. The proposed Annexation is designated as: City of Palmdale Streetlight Maintenance Assessment District No. 1, with the annexation territory being described as Annexation 2026-204.

SECTION 7. That the City Clerk shall attest and certify to the passage and adoption of this Resolution, and it shall become effective immediately upon its approval.

PASSED, APPROVED and **ADOPTED** this 9th day of November 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Taylor Anderson
Deputy 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 9th day of November 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-063

A RESOLUTION OF THE COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO ANNEX TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204, PRELIMINARILY APPROVING THE ANNEXATION AND ANNUAL LEVY REPORT, AND SETTING A TIME AND PLACE FOR HEARING PROTESTS

WHEREAS, the City Council (the "Council") of the City of Palmdale ("City"), State of California, has previously formed the City of Palmdale Streetlight Maintenance Assessment District No. 1 (the "District") pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500), and Article XIIID of the California Constitution (collectively referred to as the "Assessment Law"), that provides for the levy and collection of assessments by the County of Los Angeles for the City of Palmdale to finance the cost and expenses of the maintenance of certain improvements described in Section 4 hereof. The Council wishes to annex certain territory to the District. Said annexation shall be known and designated as "City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation 2026-204" (the "Annexation"); and it shall be subject to an assessment under the Assessment Law beginning with the fiscal year commencing July 1, 2026, and ending June 30, 2027.

WHEREAS, the provisions of Article 2 of Chapter 2 of the Assessment Law authorize the annexation of territory to the District;

WHEREAS, such provisions also provide the requirement for the preparation of resolutions, an assessment engineer's report, and a notice of public hearing;

WHEREAS, notwithstanding that such provisions of Assessment Law related to the annexation of property to the District, Article XIIID of the Constitution of the State of California establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments on the territory proposed to be annexed to such District;

WHEREAS, the owners of certain property have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the cost and expenses of the maintenance of certain improvements (the "Improvements");

WHEREAS, the owners of certain property have requested that the Territory be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of the Improvements;

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "A Petition to the City Council of the City of Palmdale, County of Los Angeles, State of California", petitioning the Council to initiate proceedings for the annexation of the Territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204, assessor's parcel numbers 3022-012-036 and 3022-012-037, located on the northwest corner of Avenue Q East and 25th Street East, pursuant to the Landscaping and Lighting Act of 1972, Being Part 2 of Division 15 of the California Streets and Highways Code and as Provided by Article XIIID of the California Constitution (the "Petition, Consent and Waiver");

WHEREAS, by such Petition, Consent and Waiver, all the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District;

WHEREAS, by such Petition, Consent and Waiver, all the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in the Annexation and Annual Levy Report (the "Report") attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in the Report attached hereto;

WHEREAS, by such Petition, Consent and Waiver, all the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

WHEREAS, on November 9, 2026, by Resolution No. CC 2026-062, the City Council (the "Council") of the City of Palmdale ("City"), State of California, initiated proceedings to annex territory to the District and ordered the preparation of the Report for said Annexation for Fiscal Year 2026/27, that provides for the levy and collection of assessments by the County of Los Angeles for the City of Palmdale to pay for the maintenance and services of all improvements and facilities related thereto;

WHEREAS, the Council has retained NBS for the purpose of assisting with the Annexation and the annual levy of the Annexation and to prepare and file the Report with the City Clerk in accordance with the Assessment Law;

WHEREAS, at this time the Council desires to declare its intention to annex territory to the District and to provide for the levy and collection of annual assessments, beginning with in Fiscal Year 2026-27, to provide for the costs and expenses necessary to pay for the maintenance and servicing of the improvements (defined below) within the Annexation;

WHEREAS, the Report has been filed with the City Clerk and submitted to this Council in accordance with the Assessment Law;

WHEREAS, the Council has carefully examined and reviewed the Report as presented and is satisfied with the proposed Annexation, each and all of the budget items and documents as set forth therein, and is satisfied that the levy amounts have been spread in accordance with the special benefit received from the improvements, operation, maintenance, and services within the Annexation as set forth in said Report; and

WHEREAS, for purposes of this Annexation, the Public Works Director is designated to be the Superintendent of Streets.

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 above recitals are all true and correct and by this reference made an operative part hereof.

SECTION 2. The Council hereby declares its intention to order the levy of assessments within the Annexation and seek the Annual Levy of the Annexation pursuant to the Act, over and including the land within the Annexation, and to levy and collect assessments on all such land to pay the annual costs of the improvements. The Council has determined at this time to call an assessment ballot proceeding therein to authorize the levy of assessments (which are more particularly outlined in the Report) to pay the costs and expenses of the improvements described in Section 5 of this Resolution. The Council finds that the public's best interests require such a levy and its collection.

SECTION 3. Pursuant to Proposition 218, Section 4, Sub-Section 4 (c), now California Constitutional Articles XIIIC and XIIID, (hereafter referred to as the "Proposition 218") approved by the California voters in November 1996, an assessment ballot proceeding is hereby called on behalf of the Annexation on the proposition of levying the

assessments and the assessment range formula to allow for reasonable increases within the Annexation.

SECTION 4. The assessment ballot proceeding for the Annexation on the proposition of authorizing the assessments and the assessment range formula to allow for reasonable increases, pursuant to Section 4, Sub-Section 4 (c and d) of Proposition 218 consists of a ballot, included with the mailed notice required by Proposition 218, distributed to the property owners of record within the Annexation as of the County's last equalized roll or as evidenced to the City. Each property owner's ballot is weighted by the amount of their proposed assessment, and they may return the ballot by mail or in person to the City Clerk not later than the conclusion of the Public Hearing on November 9, 2026. At the conclusion of the Public Hearing, pursuant to Section 4, Sub-Section 4 (e) of Proposition 218, the agency shall tabulate the ballots to determine whether a majority protest exists. The ballots shall be weighed according to the proportional financial obligation of the affected property. A majority protest exists if, upon the conclusion of the Public Hearing, ballots submitted in opposition to the assessments exceed the ballots submitted in favor of the assessments.

SECTION 5. The boundaries of the Annexation are described as being only the portion of assessor's parcel numbers 3022-012-036 and 3022-012-037, located on the northwest corner of Avenue Q East and 25th Street East, within the boundaries of the City of Palmdale within the County of Los Angeles, State of California.

SECTION 6. The Report as presented, consisting of: (i) a description of improvements, (ii) an annual budget (costs and expenses of services, operations and maintenance) and (iii) the assessment roll containing the Fiscal Year 2026/27 levy for each Assessor's parcel within the Annexation, is hereby approved and ordered to be filed in the office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 7. Generally, the improvements within the Annexation, which shall be maintained for the benefit of the proposed Annexation and through the special benefit assessments levied annually, shall include, but not be limited to, the following:

(a) the installation, construction, or operation of public lighting, facilities, including, but not limited to, streetlights and any related electrical appurtenances which are necessary or convenient for the maintenance or servicing thereof;

(b) the maintenance and servicing of any of the foregoing.

SECTION 8. For Fiscal Year 2026-27, the proposed assessments are outlined in the Report, which details the annual assessments and formula.

SECTION 9. Property owners have been provided with a notice and an assessment ballot to cast on the proposed assessment and the assessment range formula, which allows for reasonable increases. Ballots must be received prior to the conclusion of the Public Hearing at which they will be tabulated. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard.

SECTION 10. The City Clerk hereby declares that a Public Hearing on these matters will be held by the City Council on November 9, 2026, at 5:00 pm or as soon thereafter as feasible in the City Council Chambers, located at 38300 Sierra Highway, Suite C, Palmdale, CA 93550.

SECTION 11. That the City Clerk shall attest and certify to the passage and adoption of this Resolution and it shall become effective immediately upon its approval.

PASSED, APPROVED and **ADOPTED** this 9th day of November 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Taylor Anderson
Deputy 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 9th day of November 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Annexation and Annual Levy Report For:

Streetlight Maintenance Assessment District No. 1 Annexation 2026-204

Palmdale Family Apartments

October 2026

Fiscal Year 2026/27

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

Corporate Headquarters
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Temecula, CA 92592
Toll free: 800.676.7516

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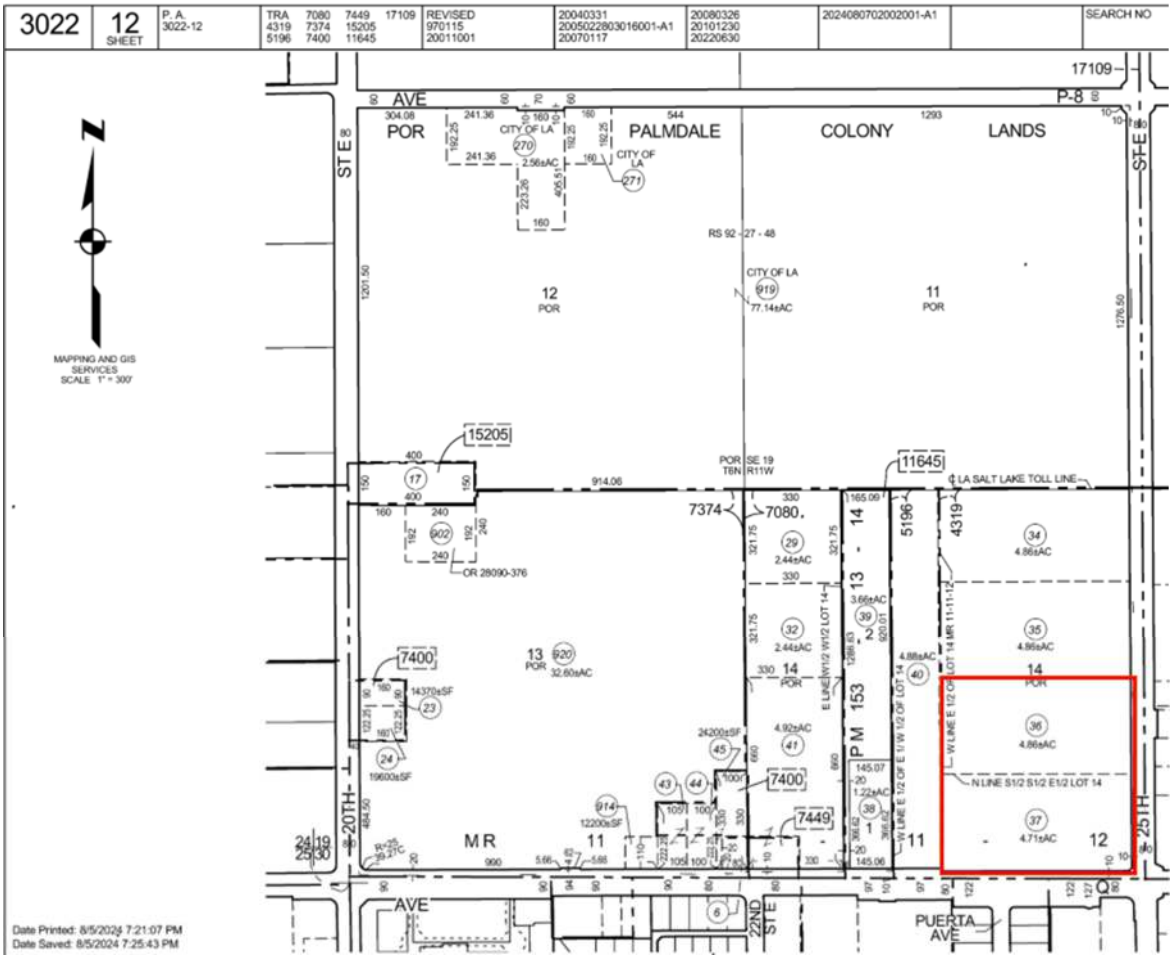
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1. INTRODUCTION

1.1 District History

The City of Palmdale ("City") provides maintenance and servicing of certain publicly owned streetlights throughout its jurisdictional boundaries. In order to fund the maintenance and operation (the "Services") of these projects and improvements, the City has formed five Streetlight Maintenance Assessment Districts, including subsequent annexations, covering over 40 thousand parcels. The assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the "Assessment Law".

As a condition of approval, the Palmdale Family Apartments project is required to fund the maintenance and servicing associated with the streetlight improvements fronting the project parcels. This annexation, a 9.813-acre multi-family residential project, will consist of assessor's parcel numbers 3022-012-036 and 3022-012-037, located on the northwest corner of Avenue Q East and 25th Street East, as illustrated below.



The Streetlight Maintenance Assessment District No. 1, Annexation 2026-204 (the "Annexation") is proposed to fund the maintenance and servicing of streetlights that benefit the parcels that form the Annexation.

1.2 Legislative Context

Determinations of special and general benefits must comply with the requirements of Assessment Law. The following is a description of the legislative context within which this report is written.

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

The substantive requirements are twofold: (1) assessments can only be imposed for a "special benefit" conferred on an assessed parcel, and (2) assessments must be in proportion to, and no greater than, the special benefit conferred on an assessed parcel.

The special benefit and proportionality requirements are described in Section 4, Subdivision (a) of Article XIII D: "*An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel*…"

In addition to its substantive requirements, Article XIII D imposes certain procedural requirements, which include preparing an engineer's report, providing written notice to property owners, providing assessment protest ballots to property owners, holding a public hearing, and tabulating the assessment protest ballots.

1.3 Court Rulings

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

1.3.1 GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) ("*Golden Hills"*)[i] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) ("*Beutz"*)[ii] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the*

amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit."

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

1.3.2 BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) ("*Tiburon*")[iii], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

1.3.3 PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically, there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *("Manteca")*[iv] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

1.3.4 IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

2. IMPROVEMENTS

The improvements to be maintained and serviced within the Annexation are to be part of the local and peripheral streetlight system of the City of Palmdale that confers special benefit to the Annexation parcels. The specific location of both local and periphery streetlight improvements within the City can be found on the Streetlight Inventory Maps maintained by the City and on file in the office of the City Engineer where they are available for inspection. The City also maintains a lamp location list that is a tabulated listing of every street by alphabetical order. Included in the items listed for each lamp are the exact location by street address number and lamp size.

The local streetlight improvements to be maintained and serviced within the Annexation include ten (10) streetlights within the right of way of the local public streets located within the boundaries of the Annexation. These lights are all within close proximity to the Annexation parcels identified as receiving local lighting benefit, and as such, provide special benefit to the parcel.

The City seeks to fund the following services and maintenance activities:

- Streetlight Maintenance

The services and maintenance activities listed above are collectively referred to as the "Improvements." The Improvements include, but are not limited to, the removal, repair, relocation, replacement or acquisition of light standards, poles, bulbs, fixtures and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and servicing of the street lighting improvements benefiting the parcels within the Annexation. The Assessment Diagram for the Annexation can be found in Section 8 of this report.

2.1 Streetlight Maintenance

As part of the conditions of approval of the project, the property owner requested the formation of a streetlight maintenance assessment district to fund the Improvements fronting the Annexation parcels along Avenue Q East and 25th Street East. The lights to be maintained by the Annexation include a total of ten (10) streetlights. Below is a diagram included in the plans titled "City of Palmdale Street Lighting Plans Zenith on 25th SOP 25-0030," illustrating the proposed area in which the Improvements can be found.



LEGENDS

- INSTALL LED STREET LIGHT LEOTEK GC1-50F-MV-WW-3-GY-530 FOR OR APPROVED EQUAL ON CONCRETE POLE FOUNDATION PER CITY STANDARD PW-19 POLE:1C123
- INSTALL LED STREET LIGHT LEOTEK GC1-40F-MV-NW-3-GY-700-PCR7 FOR OR APPROVED EQUAL ON CONCRETE POLE FOUNDATION PER CITY STANDARD POLE:15TS
- NEW METERED SERVICE PEDESTAL - 100AMPS 120/240V,1PH.,3W PER STANDARD PW-20 ADDRESS: TBA
- UNDERGROUND PULLBOX SEE GENERAL SPECIFICATIONS NOTE #11
- 2" SCH. 40 PVC CONDUIT & (2) #6 XHHW-2 (XLPE) - AL & (1) #5 AL - GND 30" BELOW GUTTER FLOW LINE PER DETAIL PW-20
- 2" SCH. 40 PVC CONDUIT & (4) #6 XHHW-2 (XLPE) - AL & (1) #5 AL - GND 30" BELOW GUTTER FLOW LINE PER DETAIL PW-20
- POLE NUMBER
- CONDUIT RUN NUMBER

3. BENEFITS

The Improvements will confer special benefits upon the parcels within the Annexation. These benefits are summarized in the table below:

Improvement	Benefit(s)
Street Lighting	Improved Safety and Crime Prevention Improved Access and Traffic Circulation

The special benefits to be conferred by the Improvements are detailed below.

3.1 Improved Safety and Crime Prevention

The street lighting improvements will confer safety benefits and help mitigate potential criminal activity within the Annexation. This benefit extends to property, as adequate lighting should decrease vandalism and other property-related crime. The following safety and crime prevention benefits will be provided as a result of the street lighting improvements.

The street lighting improvements will provide enhanced lighting throughout the Annexation, which will ensure that sidewalks, streets and property fronts are more visible during dusk and nighttime hours. The increased level of visibility, during these darker periods of the day, will reduce opportunities for potential vandalism and other property-related crimes. “Lighting has a positive effect on reducing crime and the positive benefits are similar to those observed for roadway lighting reducing crashes.” The creation of a cohesive neighborhood is also accomplished by lighting in that “lighting may send a message that goes beyond visibility as a means for providing a community with crime-reducing benefit.” (Review of the Safety Benefits and Other Effects of Roadway Lighting, National Cooperative Highway Research Program, Transportation Research Board of the National Academies, 2009).

The street lighting improvements also provide a measure of safety for pedestrian and vehicular traffic within the Annexation. “Published studies having different methodologies tend to converge on an overall average reported 20% to 30% reduction in nighttime crash risk from lighting” (National Cooperative Highway Research Program Transportation Research Board of The National Academies, 2009). This is of particular importance in a residential area where pedestrians are likely to be present during nighttime hours. The same report also states, “… lighting has a positive effect on reducing crime ...” Therefore, the street lighting improvements will confer safety benefits to property within the Annexation.

3.2 Improved Access and Traffic Circulation

The street lighting improvements also provide improved accessibility and traffic circulation benefits to the Annexation parcel where the access route to the property utilizes street lighting. The maximum usefulness of a parcel cannot be fully realized unless it is accessible. Thus, improving the accessibility of a parcel especially during nighttime hours, through proper street lighting, can improve the overall utilization of the parcel. The street lighting improvements will also improve the overall accessibility for emergency response vehicles. The efficient and timely response to emergencies is a critical component to the effectiveness of emergency response. It is reasonable to conclude that improving street lighting will improve accessibility

and emergency response efficiency, especially during the nighttime hours for the parcel within the Annexation.

The street lighting improvements will also provide improved traffic circulation benefits by facilitating a more efficient and safer flow of traffic to and from properties within the Annexation between the dusk and dawn hours. This increased traffic circulation benefit is due to the fact that well-maintained and reliable lighting artificially extends the “lighted” hours, which increases the amount of time for activity to occur. It is a well-accepted fact that pedestrian and traffic safety is considerably reduced in the hours of darkness. Various studies have concluded that good quality street lighting reduces the accident rate by increasing the overall visibility, as vehicle headlights are inadequate for high-speed traffic. “Driving outside of daylight hours is more dangerous – only a quarter of all travel by car drivers is between the hours of 7pm and 8am, yet this period accounts for 40% of fatal and serious injuries in the same group.” (Night-time accidents: a scoping study, UCL, London, 2009). Therefore, the street lighting improvements will confer traffic circulation benefits to property within the Annexation.

4. SPECIAL BENEFIT DISTRIBUTION

Once special benefits are identified, they must be assigned based on the estimated proportionate special benefit derived by the parcels. This section describes the assignment of special benefits to the parcels.

4.1 Parcel Size

It is believed parcels of the same use will experience different degrees of special benefit in relation to differences in their acreage. For example, a parcel with a large acreage will experience greater special benefit than a parcel with a small acreage. Accordingly, as acreage increases, parcels are considered to receive proportionately greater special benefit. Therefore, these parcel characteristics are deemed appropriate factors for determining proportional special benefit.

The Annexation consists of two parcels. Consequently, it is expected the parcels will experience special benefits from the Improvements. The Annexation parcels comprise 9.813 acres.

4.2 Land Use Type

In addition to parcel size, a parcel's land use type will also affect the special benefits received. Following the assignment of the Parcel Size Factor, a Land Use Benefit Point was assigned. This benefit point corresponds to the special benefits described in the Benefits section of this report.

The parcels within the proposed Annexation boundary are assigned a land use type for purposes of determining the special benefits received. Below is a description of the land use type category to be assessed within the Annexation.

> **Multi-Family Residential Property** consists of parcels with a residential structure or structures containing more than one residential unit where such units are income-restricted and offered for rent to the public and cannot be purchased by individual homebuyers.

4.2.1 APPORTIONING SAFETY AND CRIME PREVENTION BENEFIT

For the most part, Safety and Crime Prevention benefits are universal benefits for the parcels within the Annexation. The overall appeal and safety of an area is enhanced when street lighting improvements are in place and kept in a satisfactory condition. Conversely, appeal and safety decreases when street lighting is not operational or provides inconsistent illumination. Therefore, each parcel is assigned 1.00 benefit point for Safety and Crime Prevention.

4.2.2 APPORTIONING ACCESS AND TRAFFIC CIRCULATION BENEFIT

Generally, Access and Traffic Circulation benefits are universal benefits for the parcel within the Annexation. The improved accessibility and traffic circulation benefits to the Annexation parcel maximizes the overall usefulness of the parcel. Therefore, each parcel is assigned 1.00 benefit point for Access and Circulation.

4.2.3 LAND USE BENEFIT POINTS

The table below summarizes the Land Use Benefit Points assigned to the parcels within the Annexation:

Land Use Type	Safety and Crime Prevention	Access and Traffic Circulation	Total Land Use Benefit Points
Multi-Family Residential	1.00	1.00	2.00

4.3 Total Special Benefit Points

The calculation of Total Special Benefit Points for the Annexation takes into account each component analyzed and described above, parcel characteristics and land use. The formula for determining the Annexation's Total Benefit Points is as follows:

Parcel Size Factor		Land Use Benefit Points		Total Special Benefit Points
	X		=	

The Total Special Benefit Points are computed for each parcel in the Annexation and summed. The Total Annexation Special Benefit Points are 19.626. These Total Annexation Special Benefit Points are used to determine the proposed assessment amounts on each parcel.

Below is the Total Special Benefit Points calculation for the Annexation:

Parcel Size Factor		Land Use Benefit Points		Total Special Benefit Points
9.813	X	2.00	=	19.626

5. SEPARATION AND QUANTIFICATION OF GENERAL BENEFITS

As described in the Introduction, only special benefits are assessable and in order to assess only special benefits, the general benefits resulting from the Improvements must be separated and quantified. This section describes the process used to separate and quantify the general benefits.

5.1 Summary

As detailed below, it is estimated the Improvements will confer an Effective General Benefit of 5.40%.

5.2 General Benefits Identified

Section 4 of Article XIIID of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

General benefit is an overall and similar benefit to the public at large resulting from the maintenance of the Improvements provided by the assessments levied. The Improvements to be maintained by the Annexation are located within the Annexation boundaries only. There will be no Annexation maintenance activities provided for Improvements located outside of the Annexation boundaries.

The ongoing maintenance of the Improvements will provide safety and crime prevention and access and traffic circulation benefits to the property within the Annexation. However, it is recognized that the ongoing maintenance activities will also provide a level of benefit to some property within proximity to the Annexation, as well as individuals passing through. Therefore, the general benefit created as a result of the Annexation maintenance activities has been considered.

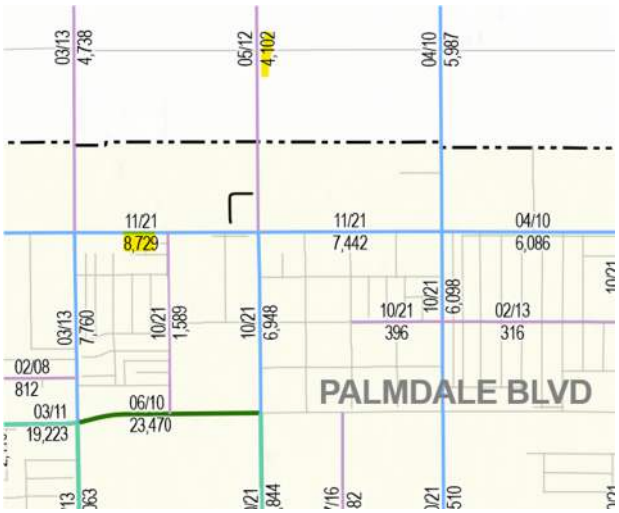
5.3 General Benefit Analysis

As a result of the maintenance and operation of the Improvements, there will be a level of general benefit to people that do not work or intend to conduct business within the Annexation. In order for property within the Annexation to be assessed only for that portion of special benefits received from the Annexation's maintenance activities, general benefits provided by the ongoing maintenance of the Improvements needs to be quantified. The amount of general benefit that is provided from the Annexation's maintenance activities cannot be funded via property owners' assessments.

5.3.1 GENERAL BENEFIT: PASS-THROUGH TRAFFIC

As a result of the Improvements, there will be a level of general benefit conferred to pass-through vehicle traffic related to properties outside of the Annexation whose occupants do not intend to access property within the Annexation. As such, the benefit derived by pass-through vehicle traffic needs to be quantified. In order to do this, we must first estimate the average daily vehicle trips through the Annexation area.

Daily vehicle trip counts for Avenue Q East and 25th Street East in the area of the Annexation was obtained from the City. Based upon the daily trip counts, the total estimated current daily trip traffic through the Annexation is 12,831 vehicle trips (highlighted in yellow in the figure below).



Next, we must estimate the number of daily vehicle trips that will be generated by land uses within the Annexation. To accomplish this, data from the ITE Trip Generation Manual was used to estimate the average daily vehicle trips for each land use type within the Annexation. The land use included in the Annexation is 223 – Affordable Housing. The estimated number of daily vehicle trips that will be generated by the 272 dwelling units within the Annexation is approximately 1,308.32, as summarized below.

ITE Land Use Type	Estimated Daily Vehicle Trips (1)
223 – Affordable Housing	1,308.32

(1) Extracted from the ITETripGen Web-based App, Trip Generation Manual, 12th Edition.

Therefore, the estimated number of pass-through vehicle trips related to properties outside of the Annexation is 12,831.

Average Vehicle Trips Through Annexation(1)		Estimated Annexation-Generated Vehicle Trips		Estimated Pass Through Vehicle Trips
14,139.32	-	1,308.32	=	12,831.00

(1) Includes Estimated Annexation-Generated Vehicle Trips

However, simply estimating the number of pass-through vehicle trips does not necessarily indicate the level of benefit accruing to vehicles passing through the Annexation. Estimating the total amount of time these pass-through vehicles spend driving through the Annexation, as compared to the time drivers spend within the Annexation, is a better indicator of the temporary benefits accruing to vehicles passing through the Annexation.

To estimate the total time these pass-through vehicles spend within the Annexation, and receive benefit from the Improvements, we must take into account the total road length of Avenue Q East and 25th Street East containing the Improvements, as well as the average traffic speed (using local speed limits):

Street	Length (in Miles) Within Annexation		Average Speed Within Annexation (MPH)		Travel Time (in Hours) Through Annexation per Vehicle
Avenue Q East	0.121	/	50	=	0.0024
25th Stret East	0.126	/	55	=	0.0023

Applying the total travel time through the Annexation per vehicle to each of the pass-through vehicle trips results in an aggregate daily pass-through time of approximately 31 hours, time in which vehicles passing through the Annexation spend in proximity to the Improvements:

Street	Travel Time (in Hours) Through Annexation per Vehicle		Estimated Pass Through Vehicle Trips		Total Pass Through Time (in Hours)
Avenue Q East	0.0024	x	8,729	=	21.1943
25th Stret East	0.0023	x	4,102	=	9.3651
Totals			**12,831**		**30.5594**

Further, the amount of time that the District properties spend in proximity to the Improvements should also be considered to determine the overall benefit of the Improvements. Properties within the District are permanently located in close proximity to the Improvements and experience the most benefit from these Improvements during the dusk to dawn hours, approximately 12 hours per day. Vehicles passing through only receive benefit from the Improvements while passing through the District. As such, the previously identified daily pass-through time for vehicles receiving limited benefit from the Improvements should be compared to the total time the District properties benefit from being in permanent proximity to the District Improvements:

Time Class	Hours	Percentage
Total Pass-Through Time	30.5594	0.93%
Total District Property Time [1]	3,264.0000	99.07%
Totals	**3,294.5594**	**100.00%**

(1) Equals the number of dwelling units within the Annexation (272) multiplied by 12 (hours).

Of the total benefits provided by the Improvements, the percentage of time allocated to vehicles passing through the Annexation is 0.93%.

Pass Through Vehicle Traffic General Benefit	0.93%

As a result of the Improvements, there will be a level of general benefit to pedestrians and others who do not live in or intend to access property within the Annexation. There will be pedestrian traffic generated from property outside of the Annexation that will utilize the maintained sidewalks to pass through the Annexation and access property located outside of the Annexation. In addition to accessing property located outside of the Annexation, there will also be a level of pedestrian activity that will utilize the maintained sidewalks for leisure and fitness activities. Pedestrians will incorporate the maintained sidewalks into their leisure and fitness routines, thus making the Annexation sidewalks serve as a pass-

through portion of their overall route traveled. The benefit provided to property and pedestrians, because of the maintained sidewalks serving as a pass-through corridor needs to be quantified.

People walk for a variety of reasons, whether the reason is to commute to work, run errands, shop, leisure activities, fitness, or some other purpose. To enhance the overall walking experience, pedestrians will seek out and utilize sidewalk facilities that provide a safe place to walk as well as an environment that provides a certain amount of visual interest. The Summary of Travel Trends, 2022 National Household Travel Survey (NHTS) prepared by the U.S. Department of Transportation Federal Highway Administration (FHWA, 2022) analyzed the number of person trips by various modes of transportations such as private vehicle, transit, walking, or some other means of transportation. This study showed that approximately 6.90% of daily person trips occur by walking.

According to the Urban Area data extracted from the 2022 NHTS database, of the annual 17,390 (in millions) total person trips made using walking as the primary mode of transportation (FHWA, 2022), 50.59% of the trips were identified as work/work related, shopping/errands, and school/church activities (unrelated to Annexation activities such as: social, recreational, other reasons).)

Trip Purpose	Number of Walking Trips (in millions)
Work/Work Related	8.29%
Shopping/Errands	26.26%
School/Church	16.04%
Total	**50.59%**

Applying this percentage of non-Annexation related activity to the 6.90% of daily person trips that occur by walking results in 3.47% of pedestrian trips related to general benefit activity.

Pass Through Pedestrian Traffic General Benefit	3.47%

Additionally, an estimated 1% of all US trips are made by bicycle[v]. Although the Annexation fronts Avenue Q East and 25th Street and there is no dedicated bike lane or paved sidewalks along these streets, there is the ability to pass through the Annexation by bicycle. Therefore, it would be reasonable to assume there would be some level of general benefit received from bicycle traffic passing through the Annexation. According to the National Household Travel Surveys, 49% of bike trips are for recreation, exercise, and sports[vi]. As a result, approximately 1.00% general benefit is attributable to bicycles passing through the Annexation.

Pass Through Bicycle Traffic General Benefit	1.00%

5.3.2 TOTAL GENERAL BENEFIT

Since the Annexation is comprised of safety and crime prevention and improved access and traffic circulation benefits resulting from the Improvements, the activity of vehicles, pedestrians and bicycles passing through the Annexation must be addressed in a collective form rather than independently. This general benefit result is provided in the table below:

General Benefit	Percentage
Pass-through Vehicle Traffic	0.93%
Pass-through Pedestrian Traffic	3.47%
Pass-through Bicycle Traffic	1.00%
Totals	**5.40%**

6. BUDGET

The following table summarizes the estimated annual costs to fund the Improvements for Fiscal Year 2026/27:

Description	Amount
Maintenance	
Direct Labor/Maintenance Costs	$6,755.00
Utility Costs	1,515.00
Administration	
Overhead/Engineer/Consultant Costs	2,090.00
Total Cost of Improvements	**$10,360.00**

6.1 Maximum Balance to Be Assessed

The total maximum amount to be assessed upon the specially benefitting parcel is the total cost of the Improvements, as detailed above, less the portion of Maintenance costs attributable to General Benefit as detailed in the Separation and Quantification of General Benefits section.

The calculation of the balance to be assessed is shown below:

Description	Amount
Total Cost of Improvements	$10,360.00
Less Maintenance General Benefit Portion (5.40%)	(558.93)
Total Cost of Improvements to Be Assessed	**$9,801.07**

6.2 Maximum Assessment Rate per Special Benefit Point

The Maximum Assessment Rate per Special Benefit Point is determined by dividing the Total Cost of Improvements to Be Assessed by the sum of the Total Annexation Special Benefit Points noted in Section 4.

The calculation of the Maximum Assessment Rate per Special Benefit Point is shown below:

Description	Amount
Balance to Be Assessed	$9,801.07
Total Annexation Special Benefit Points	19.626
Maximum Assessment Rate per Special Benefit Point[(1)]	**$499.39**

(1) Beginning July 1, 2027, the maximum assessment per Special Benefit Point will be increased by the change in the February to February Consumer Price Index for all Urban Consumers, for the Los Angeles-Long Beach-Anaheim, CA region compared year over year not to exceed 3% annually.

The Maximum Assessment Rate per Special Benefit Point is multiplied by each parcel's Total Special Benefit Points to determine a maximum assessment amount per parcel.

6.3 Annual Maximum Assessment Rate Increases

Each parcel's actual assessment is determined by multiplying the assessment rate by the parcels total specific benefit points. If the total Annexation special benefit points change in future years, the allowable annual Maximum Assessment Rate will not be recalculated. The allowable annual Maximum Assessment Rate per special benefit point, plus the annual cost of living inflator, will remain fixed. The actual annual assessment rate will be calculated by dividing the fiscal year's net cost estimate to be assessed by the fiscal year's total special benefit points, not to exceed the allowable annual Maximum Assessment Rate for that fiscal year. The Maximum Assessment Rate per special benefit point is escalated each year on July 1 by the annual change in the February-to-February Consumer Price Index for all Urban Consumers, for the Los Angeles-Long Beach-Anaheim CA region not to exceed 3% annually, beginning July 1, 2027.

In any given year, the assessments may be levied at any rate sufficient to meet the estimated budget, as long as the actual assessment rate does not exceed the Maximum Assessment Rate for that fiscal year.

6.4 Future Changes to Parcel Characteristics

Future changes to parcel characteristics will cause changes in the total assessment revenue. The assessment revenue for any given year will be the product of the Annexation's parcel characteristics and the budget in effect for such fiscal year.

6.5 Data for Annual Assessment Calculations

Each year, as part of the assessment calculation procedures, the City or its designated consultant shall determine the land use type for each parcel based on the County Assessor's use code or other supplementary information made available and deemed reliable. The parcel characteristics of lot size shall similarly be based on the County Assessor's secured rolled data for the applicable year and may be supplemented with other reliable data sources.

Assessment amounts may change over time in accordance with changes to parcel characteristics including land use type and lot size.

6.6 Appeals

If any property owner believes the data used to calculate the assessment is inaccurate for any reason, the property owner shall submit, in writing, a request for review to the City. The property owner shall provide documentation needed to support the request for review. The City or its designated consultant shall review the request and provide a response to the property owner. The property owner must be current in the payment of all assessments when filing the request for review and must remain current during the review process. The property owner should continue to pay any regular property taxes due according to the County's due dates.

If the review conducted by the City or its designated consultant results in changes to any parcel characteristics used to compute the assessment, the City or its designated consultant shall recalculate the assessment. When recalculating the assessment, the assessment rates actually applied in such fiscal year shall be used. Only the assessment for the parcel or parcels subject to review shall be recalculated.

If the recalculated assessment is less than the amount submitted to the County on the secured property tax roll, the difference shall be credited back to the property owner. This credit shall be limited to the current fiscal year and the prior fiscal year, if applicable. The "fiscal year" shall follow the County's fiscal year for property taxes, from July 1 to June 30. The applicable fiscal year shall be determined by the date the request for review is submitted to the City.

> *For example, if a request for review is submitted to the City during Fiscal Year 2027/28, the Fiscal Year 2026/27 and 2027/28 assessments will be reviewed. The property owner credit shall be limited to any difference calculated for Fiscal Year 2027/28 (the current fiscal year) and Fiscal Year 2026/27 (the prior fiscal year).*

The credit may be provided in the form of a check to the property owner, an adjustment to the current year's property tax roll (if possible), or a credit to the succeeding year's assessment thereby reducing the amount placed on the secured property tax roll for such year.

If the recalculated assessment is greater than the amount submitted to the County on the secured property tax roll, the City or its designated consultant shall apply the recalculated assessment to the succeeding year's property tax roll and no adjustments shall be made to the prior or current fiscal years' assessments.

In any dispute over parcel characteristic data used to compute assessments, the City shall make a conclusive determination and its decision shall be final.

6.7 Method of Collection

The assessments will be collected annually on the County's secured property tax roll. The assessments will be subject to the County's assigned due dates and late penalties. However, the City may choose to collect the assessments in an alternate manner (including directly billing the property owner) as may be deemed appropriate or necessary by the City.

7. ENGINEER'S STATEMENT

The City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation 2026-204 assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the "Assessment Law".

1. I have identified the parcels that will have a special benefit conferred upon it by the Improvements described in Section 2 of this Report (the "Specially Benefited Parcels").
    a. For particulars as to the identification of the parcels, reference is made to the Assessment Diagram, a copy of which is included in Section 8 of this Report.
2. I have assessed the estimated costs and expenses of the Improvements upon the Specially Benefited Parcel. In making such assessment:
    a. The proportionate special benefit derived from the Improvements by the Specially Benefited Parcels was determined in relationship to the entirety of the cost of the Improvements;
    b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel by the Improvements; and
    c. The general benefits have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit this Annexation Report and, to the best of my knowledge, information and belief, this Report, the assessments, and the Assessment Diagram herein have been prepared and computed in accordance with the Assessment Law.

By: John G Egan

John G. Egan
Assessment Engineer
R.C.E. 14853

9/29/2026



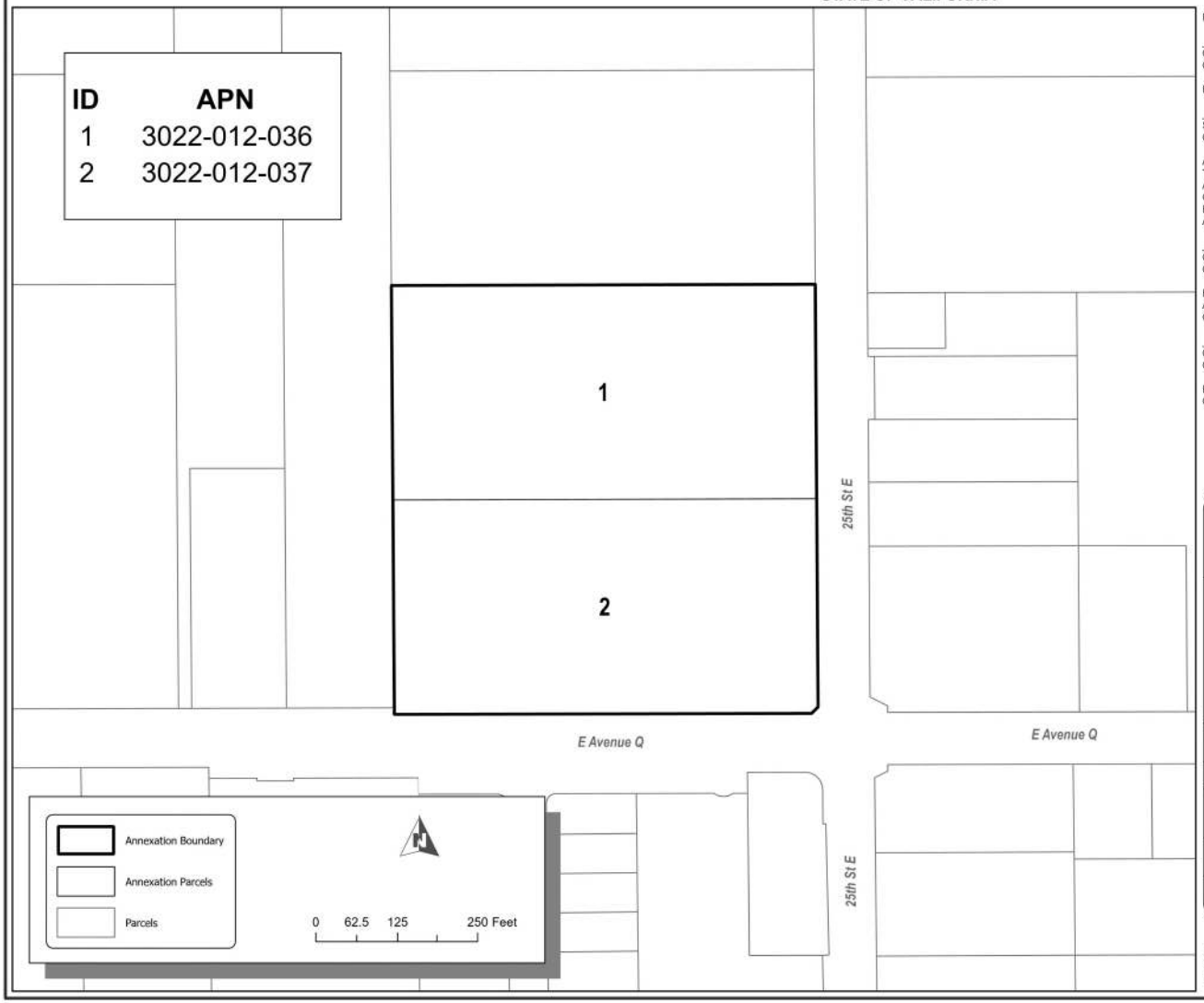
8. ASSESSMENT DIAGRAM

The following pages contains the assessment diagram for the Annexation.

ASSESSMENT DIAGRAM
STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, ANNEXATION 2026-204

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

ID	APN
1	3022-012-036
2	3022-012-037



FILED IN THE OFFICE OF THE CITY CLERK, THIS ____ DAY OF _____, 202_.

_____
CITY CLERK
CITY OF PALMDALE

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS ____ DAY OF _____, 202_.

_____
SUPERINTENDENT OF STREETS
CITY OF PALMDALE

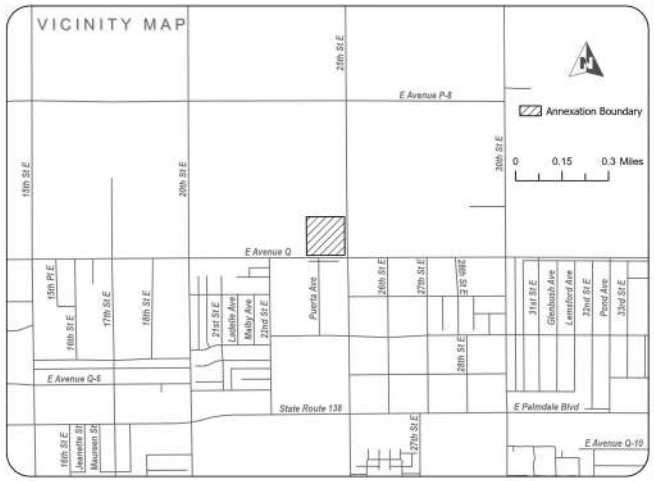
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 202_. THE ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY ON THE ____ DAY OF _____, 202_. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

_____
CITY CLERK
CITY OF PALMDALE

FILED THIS ____ DAY OF _____, 202_, AT THE HOUR OF _____ O'CLOCK _.M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ___, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

9. ASSESSMENT ROLL

City of Palmdale
Streetlight Maintenance Assessment District No. 1, Annexation 2026-204
Fiscal Year 2026/27 Proposed Maximum Assessment

ID	Assessor's Parcel Number	Fiscal Year 2026/27 Proposed Maximum Assessment
1	3022-012-036	$4,900.04
2	3022-012-037	$4,901.03
	TOTAL	**$9,801.07**

10. REFERENCES

[i] *Golden Hill Neighborhood Assn. v. City of San Diego* CA4/1, D062203 (Cal. Ct. App. 2013)

[ii] *Beutz v. County of Riverside*, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)

[iii] *Bonander v. Town of Tiburon,* 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)

[iv] *Manteca Unified School District v. Reclamation District No. 17 et al*, C077906 (Cal. Ct. App. 2017)

[v] U.S Department of Transportation. Federal Highway Administration. (2001). Designing Sidewalks and Trails for Access, Part II of II: Best Practices Design Guide. Retrieved from http://www.fhwa. dot. gov/ environment/bicycle_pedestrian/publications/sidewalk2/

[vi] Pucher, J., Buehler R., Meron, F., and Bauman, A. American Journals of Public Health, Supplement 1, Vol 101, No S1 (2011). Walking and Cycling in the United States, 2001-2009: Evidence from the National Household Travel Surveys. Retrieved from http://www.ncbi.nlm.nih.gov/pubmed/21551387

ASSESSMENT DIAGRAM
STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, ANNEXATION 2026-204

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK, THIS ____ DAY OF _____, 202_.

_____
CITY CLERK
CITY OF PALMDALE

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS ____ DAY OF _____, 202_.

_____
SUPERINTENDENT OF STREETS
CITY OF PALMDALE

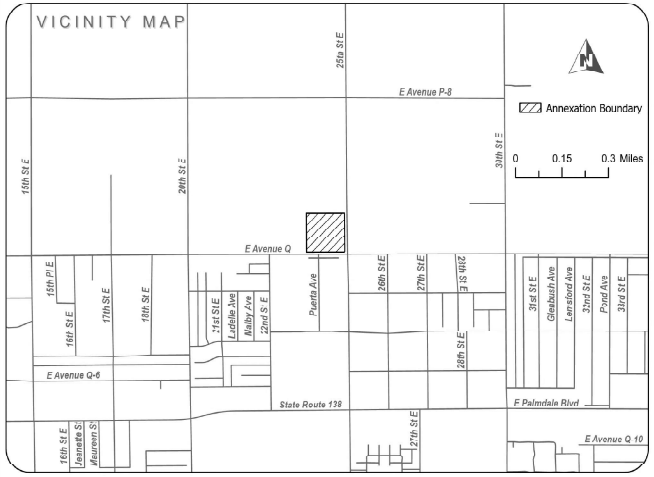
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 202_; THE ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY ON THE ____ DAY OF _____, 202_. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

_____
CITY CLERK
CITY OF PALMDALE

FILED THIS ____ DAY OF _____, 202_, AT THE HOUR OF ____ O'CLOCK .M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ___, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **5**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-064, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ANNEXATION AND ANNUAL LEVY REPORT FOR THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN SAID ASSESSMENT DISTRICT FOR FISCAL YEAR 2026-27**

RECOMMENDATION

Staff recommend that the City Council:

1. Hold the public hearing to accept public testimony;

2. Adopt Resolution No. CC 2026-064, a Resolution of the City Council of the City of Palmdale annexing certain territory to City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204 (the “Annexation”);

3. Authorize the Mayor to execute Resolution No. CC 2026-064 approving the annexation and annual levy report of certain territory to the City of Palmdale Streetlight Maintenance District No. 1, Annexation No. 2026-204; and,

4. Order the levy and collection of assessments within Streetlight Assessment District No. 1, as Annexation 2026-204, starting Fiscal Year 2026-27.

BACKGROUND

The developer of a multi-family housing project located on the northwest corner of Avenue Q and 25th Street East, Palmdale Family Apartments LP, has requested the annexation of their parcels into the City’s Streetlight Maintenance District for the future maintenance of the streetlighting infrastructure required to support their development.

This annexation was also a condition of approval for the development identified during the entitlement process.

According to the "Landscaping and Lighting Act of 1972", Part 2 of Division 15 of the California Streets and Highways Code, the City may establish a streetlight maintenance assessment district or annex territory into an existing district to provide for the installation, continued maintenance, and servicing of the streetlight improvements. Placement of the streetlight improvements into a district will provide for the continued maintenance of these improvements after the developer installs them and the City accepts them.

On November 9, 2026, the City Council acted to initiate proceedings and declare its intention to annex certain territory to the District, called for the preparation of an Annexation and Annual Levy report, and set November 9, 2026, as the date for the public hearing. An assessment ballot has been mailed to the property owner of record of the parcels to be assessed, in accordance with Article XIII D of the California Constitution. At the public hearing, if the ballot is returned affirmative, the City Council can approve the Annexation. If the ballot indicates opposition for the Annexation, the City Council cannot adopt the resolution.

DISCUSSION

Adoption of this Annexation Resolution will provide for the continued maintenance and servicing of streetlighting improvements within the annexation after the developer installs them and the City accepts them.

FISCAL IMPACT

$9,801.07; The Report indicates the proposed assessments for the City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation No. 2026-204. The total combined maximum assessment revenue from the Annexation for Fiscal Year 2026-27 is $9,801.07, and the City's general benefit contribution is $558.93. The appropriate funding source for the general benefit contribution will be determined during the FY 2026-27 budget review and approval process.

STRATEGIC PLAN

Goal II: Ensure the 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: 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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Reso. No. CC 2026-064
Rpt Annexation and Annual Levy
Exh A Certificate of Tabulation Official
Assessment District Diagram

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-064

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE CONFIRMING THE BALLOT RESULTS TO DETERMINE THAT NO MAJORITY PROTEST EXISTS IN THE PROCEEDINGS, AND ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2026-204

WHEREAS, on November 9, 2026, by Resolution CC 2026-062, the City Council initiated proceedings to annex territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1 (the "District"), as Annexation 2026-204 to pay for costs for the maintenance and services of all improvements and facilities pursuant to the terms and provisions of the Landscaping and Lighting Act of 1972 (Sections 22500 and following of the Streets and Highways Code of California) (the "1972 Act"), Article XIII D of the Constitution of the State of California ("Article XIIID") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 et seq.) (the "Omnibus Act" and, together with the 1972 Act and Article XIIID, the "Assessment Law"); and

WHEREAS, the City Council did order and subsequently receive an Annexation and Annual Levy Report (hereafter referred to as the "Report") prepared by NBS in accordance with the Assessment Law;

WHEREAS, the Report has been made a part of the record of these proceedings and is on file in the office of the City Clerk of the City (the "City Clerk");

WHEREAS, on November 9, 2026, by Resolution No. CC 2026-063, the City Council (a) set the time and place for the purpose of hearing protests to the proposed annexation of territory to the District and (b) ordered that the record owner of each parcel proposed to be assessed have the right to submit an assessment ballot in favor of or in opposition to the assessment proposed to be levied on such parcel;

WHEREAS, the owners of certain property have requested that the Territory be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of the Improvements;

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "A Petition to the City Council of the City of Palmdale, County of Los Angeles, State of California, Petitioning the Council to Initiate Proceedings for the Annexation of Territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2026-204 (the "Annexation"), assessor's parcel numbers 3022-012-036 and 3022-012-037, located on the northwest corner of Avenue Q East and 25th Street East, Pursuant to the Landscaping and Lighting Act of 1972, Being Part 2 of

Division 15 of the California Streets and Highways Code and as provided by Article XIIID of the California Constitution" (the "Petition, Consent and Waiver");

WHEREAS, by such Petition, Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District;

WHEREAS, by such Petition, Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in the Report and incorporated herein by this reference and have declared support for, consent to, and approval of the authorization to levy such proposed annual assessment set forth in the Report incorporated herein by this reference;

WHEREAS, notices of such hearing, accompanied by assessment ballot materials, were mailed to each record owner in the time, form and manner required by the Assessment Law, a full hearing has been given, and at this time all assessment ballots submitted and not withdrawn pursuant to the Assessment Law have been tabulated by the tabulation official appointed by the City (the "Tabulation Official"), all in the manner provided by the Assessment Law;

WHEREAS, the Tabulation Official has prepared and submitted to this legislative body a Certificate of Tabulation Official and Statement of Assessment Ballots Submitted (the "Certificate of the Tabulation Official"), a copy of which is attached as Exhibit "A" hereto and incorporated herein by this reference, which reflects the results of the tabulation of the assessment ballots submitted and not withdrawn; and

WHEREAS, this City Council is now satisfied with the assessments and all matters contained in the Report as submitted.

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 above recitals are all true and correct and by this reference made an operative part hereof.

SECTION 2. The City Council hereby finds and determines that the procedures for the consideration of the Annexation have been undertaken in accordance with the Assessment Law.

SECTION 3. The Report, as now submitted, is hereby approved and such Report shall stand as the report as required by the Assessment Law for all future proceedings for this Annexation.

SECTION 4. Assessment ballots were mailed, as required by the Assessment Law, to the record owners of all properties proposed to be assessed within the Annexation. The assessment ballots that were completed and received by the City Clerk, prior to the close of the Public Hearing, have been tabulated in accordance with the procedures established under the Assessment Law and the results of such tabulation have been submitted to this City Council.

SECTION 5. This City Council hereby finds that the assessment ballots submitted, and not withdrawn, in opposition to the levy of assessments do not exceed the assessment ballots submitted, and not withdrawn, in favor of such levy as weighted by assessment amount in accordance with the Assessment Law. Therefore, no majority protest to the Annexation has been found to exist.

SECTION 6. The City Council hereby orders the Annexation and assessments to be levied as set forth in the Report.

SECTION 7. Based upon the Report and the testimony and other evidence presented at the Public Hearing, the City Council hereby makes the following determinations regarding the assessments to be levied for Fiscal Year 2026/27.

a. The proportionate special benefit derived by each assessable parcel from the maintenance and servicing of the improvements has been determined in relationship to the entirety of the cost of such maintenance and service expenses.

b. The assessments do not exceed the reasonable cost of the proportional special benefits conferred on each parcel.

c. Only special benefits have been assessed, and the general benefits have been separated from the special benefits.

d. All publicly owned parcels within the Annexation that derive special benefits from the maintenance and servicing of the improvements have been assessed for such special benefits.

SECTION 8. The assessments for the Annexation contained in the Report for Fiscal Year 2026-27 are hereby confirmed and levied upon the respective lots or parcels within the Annexation as set forth in said Report. Subsequent annual assessments, in amounts not to exceed an established maximum annual assessment may be confirmed and levied without further assessment ballot proceedings pursuant to the Assessment Law. Each fiscal year, beginning Fiscal Year 2027/28, the maximum amount of each

assessment may be increased by the formula contained in the Report without further compliance with the assessment ballot procedures required under the Assessment Law.

SECTION 9. The public interest and convenience requires and this legislative body does hereby order the maintenance work to be made and performed as set forth in the Report.

SECTION 10. The diagram and assessments shall be filed in the Office of the City Clerk. Said diagram and assessments, and the certified copy thereof, shall be open for public inspection.

SECTION 11. The City Clerk is hereby ordered and directed to immediately file a certified copy of the diagram and assessment with the Los Angeles County Auditor.

SECTION 12. After the filing of the diagram and assessment, the Los Angeles County Auditor shall enter onto the Los Angeles County assessment roll opposite each lot or parcel of land, the amount assessed thereon as shown in the assessment.

SECTION 13. The assessments shall be collected at the same time and in the same manner as Los Angeles County secured taxes are collected and all laws providing for the collection and enforcement of Los Angeles County taxes shall apply to the collection of the assessments.

SECTION 14. The assessments as above confirmed and levied for these proceedings will provide revenue to finance the maintenance of authorized improvements starting in the fiscal year commencing July 1, 2026, and ending June 30, 2027.

SECTION 15. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and **ADOPTED** this 9th day of November 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Taylor Anderson
Deputy 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 9th day of November 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Annexation and Annual Levy Report For:

Streetlight Maintenance Assessment District No. 1 Annexation 2026-204

Palmdale Family Apartments

October 2026

Fiscal Year 2026/27

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

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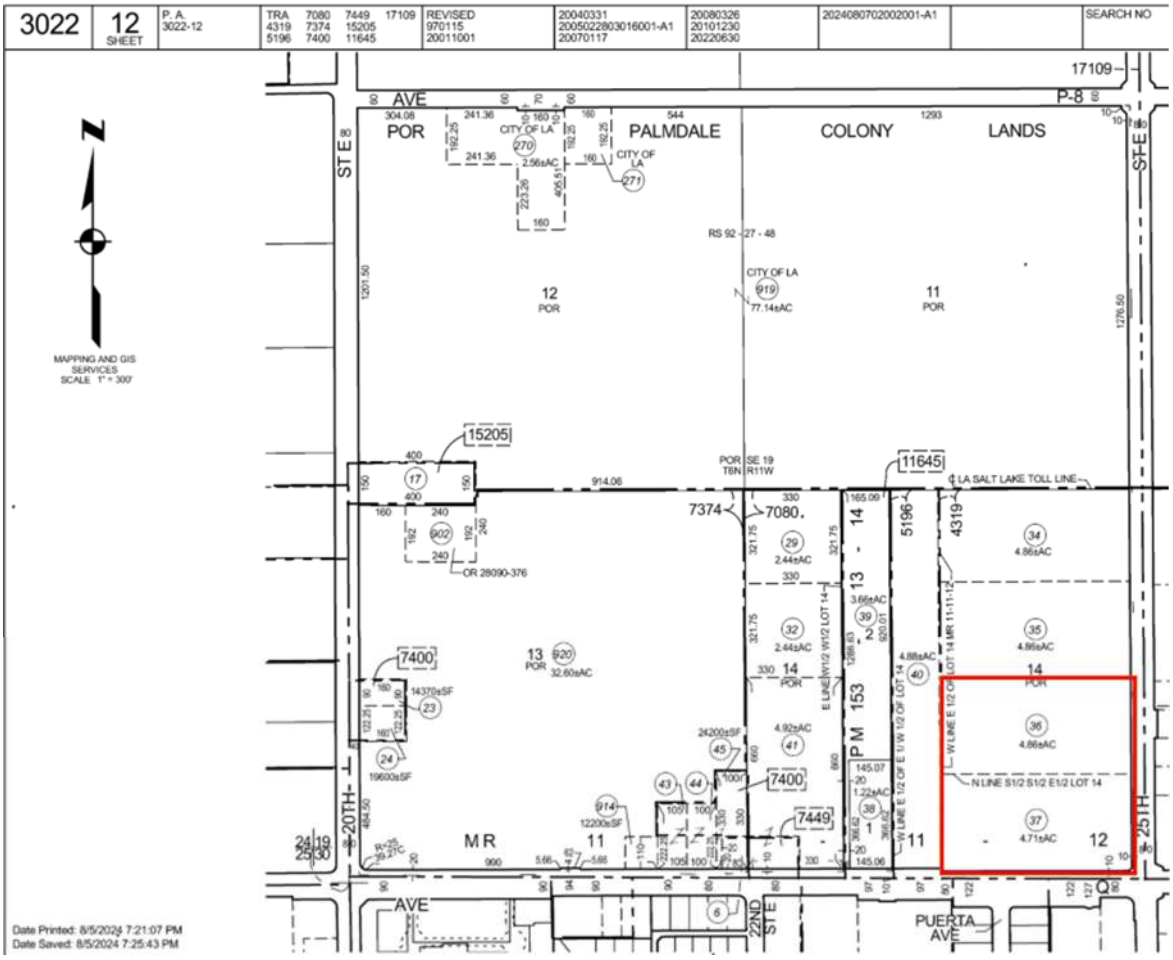
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1. INTRODUCTION

1.1 District History

The City of Palmdale ("City") provides maintenance and servicing of certain publicly owned streetlights throughout its jurisdictional boundaries. In order to fund the maintenance and operation (the "Services") of these projects and improvements, the City has formed five Streetlight Maintenance Assessment Districts, including subsequent annexations, covering over 40 thousand parcels. The assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the "Assessment Law".

As a condition of approval, the Palmdale Family Apartments project is required to fund the maintenance and servicing associated with the streetlight improvements fronting the project parcels. This annexation, a 9.813-acre multi-family residential project, will consist of assessor's parcel numbers 3022-012-036 and 3022-012-037, located on the northwest corner of Avenue Q East and 25th Street East, as illustrated below.



The Streetlight Maintenance Assessment District No. 1, Annexation 2026-204 (the "Annexation") is proposed to fund the maintenance and servicing of streetlights that benefit the parcels that form the Annexation.

1.2 Legislative Context

Determinations of special and general benefits must comply with the requirements of Assessment Law. The following is a description of the legislative context within which this report is written.

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

The substantive requirements are twofold: (1) assessments can only be imposed for a "special benefit" conferred on an assessed parcel, and (2) assessments must be in proportion to, and no greater than, the special benefit conferred on an assessed parcel.

The special benefit and proportionality requirements are described in Section 4, Subdivision (a) of Article XIII D: "*An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel*…"

In addition to its substantive requirements, Article XIII D imposes certain procedural requirements, which include preparing an engineer's report, providing written notice to property owners, providing assessment protest ballots to property owners, holding a public hearing, and tabulating the assessment protest ballots.

1.3 Court Rulings

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

1.3.1 GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) ("*Golden Hills"*)[i] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) ("*Beutz"*)[ii] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the*

amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit."

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

1.3.2 BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) ("*Tiburon*")[iii], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

1.3.3 PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically, there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *("Manteca")*[iv] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

1.3.4 IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

2. IMPROVEMENTS

The improvements to be maintained and serviced within the Annexation are to be part of the local and peripheral streetlight system of the City of Palmdale that confers special benefit to the Annexation parcels. The specific location of both local and periphery streetlight improvements within the City can be found on the Streetlight Inventory Maps maintained by the City and on file in the office of the City Engineer where they are available for inspection. The City also maintains a lamp location list that is a tabulated listing of every street by alphabetical order. Included in the items listed for each lamp are the exact location by street address number and lamp size.

The local streetlight improvements to be maintained and serviced within the Annexation include ten (10) streetlights within the right of way of the local public streets located within the boundaries of the Annexation. These lights are all within close proximity to the Annexation parcels identified as receiving local lighting benefit, and as such, provide special benefit to the parcel.

The City seeks to fund the following services and maintenance activities:

- Streetlight Maintenance

The services and maintenance activities listed above are collectively referred to as the "Improvements." The Improvements include, but are not limited to, the removal, repair, relocation, replacement or acquisition of light standards, poles, bulbs, fixtures and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and servicing of the street lighting improvements benefiting the parcels within the Annexation. The Assessment Diagram for the Annexation can be found in Section 8 of this report.

2.1 Streetlight Maintenance

As part of the conditions of approval of the project, the property owner requested the formation of a streetlight maintenance assessment district to fund the Improvements fronting the Annexation parcels along Avenue Q East and 25th Street East. The lights to be maintained by the Annexation include a total of ten (10) streetlights. Below is a diagram included in the plans titled "City of Palmdale Street Lighting Plans Zenith on 25th SOP 25-0030," illustrating the proposed area in which the Improvements can be found.



LEGENDS

- INSTALL LED STREET LIGHT LEOTEK GC1-50F-MV-WW-3-GY-530 FOR OR APPROVED EQUAL ON CONCRETE POLE FOUNDATION PER CITY STANDARD PW-19 POLE:1C123
- INSTALL LED STREET LIGHT LEOTEK GC1-40F-MV-NW-3-GY-700-PCR7 FOR OR APPROVED EQUAL ON CONCRETE POLE FOUNDATION PER CITY STANDARD POLE:15TS
- NEW METERED SERVICE PEDESTAL - 100AMPS 120/240V,1PH.,3W PER STANDARD PW-20 ADDRESS: TBA
- UNDERGROUND PULLBOX SEE GENERAL SPECIFICATIONS NOTE #11
- 2" SCH. 40 PVC CONDUIT & (2) #6 XHHW-2 (XLPE) - AL & (1) #5 AL - GND 30" BELOW GUTTER FLOW LINE PER DETAIL PW-20
- 2" SCH. 40 PVC CONDUIT & (4) #6 XHHW-2 (XLPE) - AL & (1) #5 AL - GND 30" BELOW GUTTER FLOW LINE PER DETAIL PW-20
- POLE NUMBER
- CONDUIT RUN NUMBER

3. BENEFITS

The Improvements will confer special benefits upon the parcels within the Annexation. These benefits are summarized in the table below:

Improvement	Benefit(s)
Street Lighting	Improved Safety and Crime Prevention Improved Access and Traffic Circulation

The special benefits to be conferred by the Improvements are detailed below.

3.1 Improved Safety and Crime Prevention

The street lighting improvements will confer safety benefits and help mitigate potential criminal activity within the Annexation. This benefit extends to property, as adequate lighting should decrease vandalism and other property-related crime. The following safety and crime prevention benefits will be provided as a result of the street lighting improvements.

The street lighting improvements will provide enhanced lighting throughout the Annexation, which will ensure that sidewalks, streets and property fronts are more visible during dusk and nighttime hours. The increased level of visibility, during these darker periods of the day, will reduce opportunities for potential vandalism and other property-related crimes. “Lighting has a positive effect on reducing crime and the positive benefits are similar to those observed for roadway lighting reducing crashes.” The creation of a cohesive neighborhood is also accomplished by lighting in that “lighting may send a message that goes beyond visibility as a means for providing a community with crime-reducing benefit.” (Review of the Safety Benefits and Other Effects of Roadway Lighting, National Cooperative Highway Research Program, Transportation Research Board of the National Academies, 2009).

The street lighting improvements also provide a measure of safety for pedestrian and vehicular traffic within the Annexation. “Published studies having different methodologies tend to converge on an overall average reported 20% to 30% reduction in nighttime crash risk from lighting” (National Cooperative Highway Research Program Transportation Research Board of The National Academies, 2009). This is of particular importance in a residential area where pedestrians are likely to be present during nighttime hours. The same report also states, “… lighting has a positive effect on reducing crime ...” Therefore, the street lighting improvements will confer safety benefits to property within the Annexation.

3.2 Improved Access and Traffic Circulation

The street lighting improvements also provide improved accessibility and traffic circulation benefits to the Annexation parcel where the access route to the property utilizes street lighting. The maximum usefulness of a parcel cannot be fully realized unless it is accessible. Thus, improving the accessibility of a parcel especially during nighttime hours, through proper street lighting, can improve the overall utilization of the parcel. The street lighting improvements will also improve the overall accessibility for emergency response vehicles. The efficient and timely response to emergencies is a critical component to the effectiveness of emergency response. It is reasonable to conclude that improving street lighting will improve accessibility

and emergency response efficiency, especially during the nighttime hours for the parcel within the Annexation.

The street lighting improvements will also provide improved traffic circulation benefits by facilitating a more efficient and safer flow of traffic to and from properties within the Annexation between the dusk and dawn hours. This increased traffic circulation benefit is due to the fact that well-maintained and reliable lighting artificially extends the “lighted” hours, which increases the amount of time for activity to occur. It is a well-accepted fact that pedestrian and traffic safety is considerably reduced in the hours of darkness. Various studies have concluded that good quality street lighting reduces the accident rate by increasing the overall visibility, as vehicle headlights are inadequate for high-speed traffic. “Driving outside of daylight hours is more dangerous – only a quarter of all travel by car drivers is between the hours of 7pm and 8am, yet this period accounts for 40% of fatal and serious injuries in the same group.” (Night-time accidents: a scoping study, UCL, London, 2009). Therefore, the street lighting improvements will confer traffic circulation benefits to property within the Annexation.

4. SPECIAL BENEFIT DISTRIBUTION

Once special benefits are identified, they must be assigned based on the estimated proportionate special benefit derived by the parcels. This section describes the assignment of special benefits to the parcels.

4.1 Parcel Size

It is believed parcels of the same use will experience different degrees of special benefit in relation to differences in their acreage. For example, a parcel with a large acreage will experience greater special benefit than a parcel with a small acreage. Accordingly, as acreage increases, parcels are considered to receive proportionately greater special benefit. Therefore, these parcel characteristics are deemed appropriate factors for determining proportional special benefit.

The Annexation consists of two parcels. Consequently, it is expected the parcels will experience special benefits from the Improvements. The Annexation parcels comprise 9.813 acres.

4.2 Land Use Type

In addition to parcel size, a parcel's land use type will also affect the special benefits received. Following the assignment of the Parcel Size Factor, a Land Use Benefit Point was assigned. This benefit point corresponds to the special benefits described in the Benefits section of this report.

The parcels within the proposed Annexation boundary are assigned a land use type for purposes of determining the special benefits received. Below is a description of the land use type category to be assessed within the Annexation.

> **Multi-Family Residential Property** consists of parcels with a residential structure or structures containing more than one residential unit where such units are income-restricted and offered for rent to the public and cannot be purchased by individual homebuyers.

4.2.1 APPORTIONING SAFETY AND CRIME PREVENTION BENEFIT

For the most part, Safety and Crime Prevention benefits are universal benefits for the parcels within the Annexation. The overall appeal and safety of an area is enhanced when street lighting improvements are in place and kept in a satisfactory condition. Conversely, appeal and safety decreases when street lighting is not operational or provides inconsistent illumination. Therefore, each parcel is assigned 1.00 benefit point for Safety and Crime Prevention.

4.2.2 APPORTIONING ACCESS AND TRAFFIC CIRCULATION BENEFIT

Generally, Access and Traffic Circulation benefits are universal benefits for the parcel within the Annexation. The improved accessibility and traffic circulation benefits to the Annexation parcel maximizes the overall usefulness of the parcel. Therefore, each parcel is assigned 1.00 benefit point for Access and Circulation.

4.2.3 LAND USE BENEFIT POINTS

The table below summarizes the Land Use Benefit Points assigned to the parcels within the Annexation:

Land Use Type	Safety and Crime Prevention	Access and Traffic Circulation	Total Land Use Benefit Points
Multi-Family Residential	1.00	1.00	2.00

4.3 Total Special Benefit Points

The calculation of Total Special Benefit Points for the Annexation takes into account each component analyzed and described above, parcel characteristics and land use. The formula for determining the Annexation's Total Benefit Points is as follows:

Parcel Size Factor		Land Use Benefit Points		Total Special Benefit Points
	X		=	

The Total Special Benefit Points are computed for each parcel in the Annexation and summed. The Total Annexation Special Benefit Points are 19.626. These Total Annexation Special Benefit Points are used to determine the proposed assessment amounts on each parcel.

Below is the Total Special Benefit Points calculation for the Annexation:

Parcel Size Factor		Land Use Benefit Points		Total Special Benefit Points
9.813	X	2.00	=	19.626

5. SEPARATION AND QUANTIFICATION OF GENERAL BENEFITS

As described in the Introduction, only special benefits are assessable and in order to assess only special benefits, the general benefits resulting from the Improvements must be separated and quantified. This section describes the process used to separate and quantify the general benefits.

5.1 Summary

As detailed below, it is estimated the Improvements will confer an Effective General Benefit of 5.40%.

5.2 General Benefits Identified

Section 4 of Article XIIID of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

General benefit is an overall and similar benefit to the public at large resulting from the maintenance of the Improvements provided by the assessments levied. The Improvements to be maintained by the Annexation are located within the Annexation boundaries only. There will be no Annexation maintenance activities provided for Improvements located outside of the Annexation boundaries.

The ongoing maintenance of the Improvements will provide safety and crime prevention and access and traffic circulation benefits to the property within the Annexation. However, it is recognized that the ongoing maintenance activities will also provide a level of benefit to some property within proximity to the Annexation, as well as individuals passing through. Therefore, the general benefit created as a result of the Annexation maintenance activities has been considered.

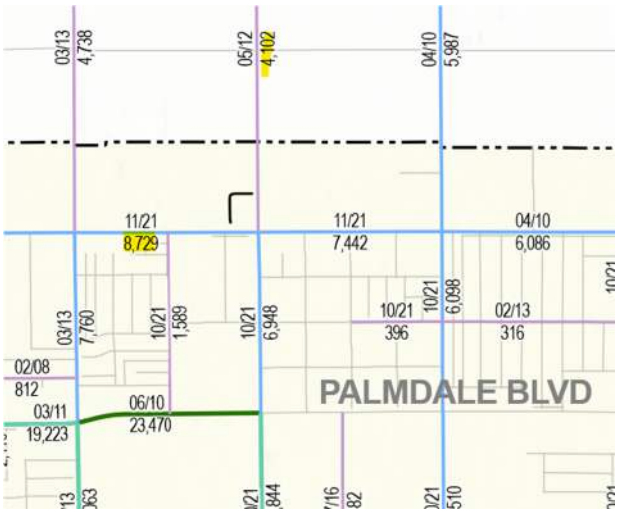
5.3 General Benefit Analysis

As a result of the maintenance and operation of the Improvements, there will be a level of general benefit to people that do not work or intend to conduct business within the Annexation. In order for property within the Annexation to be assessed only for that portion of special benefits received from the Annexation's maintenance activities, general benefits provided by the ongoing maintenance of the Improvements needs to be quantified. The amount of general benefit that is provided from the Annexation's maintenance activities cannot be funded via property owners' assessments.

5.3.1 GENERAL BENEFIT: PASS-THROUGH TRAFFIC

As a result of the Improvements, there will be a level of general benefit conferred to pass-through vehicle traffic related to properties outside of the Annexation whose occupants do not intend to access property within the Annexation. As such, the benefit derived by pass-through vehicle traffic needs to be quantified. In order to do this, we must first estimate the average daily vehicle trips through the Annexation area.

Daily vehicle trip counts for Avenue Q East and 25th Street East in the area of the Annexation was obtained from the City. Based upon the daily trip counts, the total estimated current daily trip traffic through the Annexation is 12,831 vehicle trips (highlighted in yellow in the figure below).



Next, we must estimate the number of daily vehicle trips that will be generated by land uses within the Annexation. To accomplish this, data from the ITE Trip Generation Manual was used to estimate the average daily vehicle trips for each land use type within the Annexation. The land use included in the Annexation is 223 – Affordable Housing. The estimated number of daily vehicle trips that will be generated by the 272 dwelling units within the Annexation is approximately 1,308.32, as summarized below.

ITE Land Use Type	Estimated Daily Vehicle Trips (1)
223 – Affordable Housing	1,308.32

(1) Extracted from the ITETripGen Web-based App, Trip Generation Manual, 12th Edition.

Therefore, the estimated number of pass-through vehicle trips related to properties outside of the Annexation is 12,831.

Average Vehicle Trips Through Annexation(1)		Estimated Annexation-Generated Vehicle Trips		Estimated Pass Through Vehicle Trips
14,139.32	-	1,308.32	=	12,831.00

(1) Includes Estimated Annexation-Generated Vehicle Trips

However, simply estimating the number of pass-through vehicle trips does not necessarily indicate the level of benefit accruing to vehicles passing through the Annexation. Estimating the total amount of time these pass-through vehicles spend driving through the Annexation, as compared to the time drivers spend within the Annexation, is a better indicator of the temporary benefits accruing to vehicles passing through the Annexation.

To estimate the total time these pass-through vehicles spend within the Annexation, and receive benefit from the Improvements, we must take into account the total road length of Avenue Q East and 25th Street East containing the Improvements, as well as the average traffic speed (using local speed limits):

Street	Length (in Miles) Within Annexation		Average Speed Within Annexation (MPH)		Travel Time (in Hours) Through Annexation per Vehicle
Avenue Q East	0.121	/	50	=	0.0024
25th Stret East	0.126	/	55	=	0.0023

Applying the total travel time through the Annexation per vehicle to each of the pass-through vehicle trips results in an aggregate daily pass-through time of approximately 31 hours, time in which vehicles passing through the Annexation spend in proximity to the Improvements:

Street	Travel Time (in Hours) Through Annexation per Vehicle		Estimated Pass Through Vehicle Trips		Total Pass Through Time (in Hours)
Avenue Q East	0.0024	x	8,729	=	21.1943
25th Stret East	0.0023	x	4,102	=	9.3651
Totals			**12,831**		**30.5594**

Further, the amount of time that the District properties spend in proximity to the Improvements should also be considered to determine the overall benefit of the Improvements. Properties within the District are permanently located in close proximity to the Improvements and experience the most benefit from these Improvements during the dusk to dawn hours, approximately 12 hours per day. Vehicles passing through only receive benefit from the Improvements while passing through the District. As such, the previously identified daily pass-through time for vehicles receiving limited benefit from the Improvements should be compared to the total time the District properties benefit from being in permanent proximity to the District Improvements:

Time Class	Hours	Percentage
Total Pass-Through Time	30.5594	0.93%
Total District Property Time [1]	3,264.0000	99.07%
Totals	**3,294.5594**	**100.00%**

(1) Equals the number of dwelling units within the Annexation (272) multiplied by 12 (hours).

Of the total benefits provided by the Improvements, the percentage of time allocated to vehicles passing through the Annexation is 0.93%.

Pass Through Vehicle Traffic General Benefit	0.93%

As a result of the Improvements, there will be a level of general benefit to pedestrians and others who do not live in or intend to access property within the Annexation. There will be pedestrian traffic generated from property outside of the Annexation that will utilize the maintained sidewalks to pass through the Annexation and access property located outside of the Annexation. In addition to accessing property located outside of the Annexation, there will also be a level of pedestrian activity that will utilize the maintained sidewalks for leisure and fitness activities. Pedestrians will incorporate the maintained sidewalks into their leisure and fitness routines, thus making the Annexation sidewalks serve as a pass-

through portion of their overall route traveled. The benefit provided to property and pedestrians, because of the maintained sidewalks serving as a pass-through corridor needs to be quantified.

People walk for a variety of reasons, whether the reason is to commute to work, run errands, shop, leisure activities, fitness, or some other purpose. To enhance the overall walking experience, pedestrians will seek out and utilize sidewalk facilities that provide a safe place to walk as well as an environment that provides a certain amount of visual interest. The Summary of Travel Trends, 2022 National Household Travel Survey (NHTS) prepared by the U.S. Department of Transportation Federal Highway Administration (FHWA, 2022) analyzed the number of person trips by various modes of transportations such as private vehicle, transit, walking, or some other means of transportation. This study showed that approximately 6.90% of daily person trips occur by walking.

According to the Urban Area data extracted from the 2022 NHTS database, of the annual 17,390 (in millions) total person trips made using walking as the primary mode of transportation (FHWA, 2022), 50.59% of the trips were identified as work/work related, shopping/errands, and school/church activities (unrelated to Annexation activities such as: social, recreational, other reasons).)

Trip Purpose	Number of Walking Trips (in millions)
Work/Work Related	8.29%
Shopping/Errands	26.26%
School/Church	16.04%
Total	**50.59%**

Applying this percentage of non-Annexation related activity to the 6.90% of daily person trips that occur by walking results in 3.47% of pedestrian trips related to general benefit activity.

Pass Through Pedestrian Traffic General Benefit	3.47%

Additionally, an estimated 1% of all US trips are made by bicycle[v]. Although the Annexation fronts Avenue Q East and 25th Street and there is no dedicated bike lane or paved sidewalks along these streets, there is the ability to pass through the Annexation by bicycle. Therefore, it would be reasonable to assume there would be some level of general benefit received from bicycle traffic passing through the Annexation. According to the National Household Travel Surveys, 49% of bike trips are for recreation, exercise, and sports[vi]. As a result, approximately 1.00% general benefit is attributable to bicycles passing through the Annexation.

Pass Through Bicycle Traffic General Benefit	1.00%

5.3.2 TOTAL GENERAL BENEFIT

Since the Annexation is comprised of safety and crime prevention and improved access and traffic circulation benefits resulting from the Improvements, the activity of vehicles, pedestrians and bicycles passing through the Annexation must be addressed in a collective form rather than independently. This general benefit result is provided in the table below:

General Benefit	Percentage
Pass-through Vehicle Traffic	0.93%
Pass-through Pedestrian Traffic	3.47%
Pass-through Bicycle Traffic	1.00%
Totals	**5.40%**

6. BUDGET

The following table summarizes the estimated annual costs to fund the Improvements for Fiscal Year 2026/27:

Description	Amount
Maintenance	
Direct Labor/Maintenance Costs	$6,755.00
Utility Costs	1,515.00
Administration	
Overhead/Engineer/Consultant Costs	2,090.00
Total Cost of Improvements	**$10,360.00**

6.1 Maximum Balance to Be Assessed

The total maximum amount to be assessed upon the specially benefitting parcel is the total cost of the Improvements, as detailed above, less the portion of Maintenance costs attributable to General Benefit as detailed in the Separation and Quantification of General Benefits section.

The calculation of the balance to be assessed is shown below:

Description	Amount
Total Cost of Improvements	$10,360.00
Less Maintenance General Benefit Portion (5.40%)	(558.93)
Total Cost of Improvements to Be Assessed	**$9,801.07**

6.2 Maximum Assessment Rate per Special Benefit Point

The Maximum Assessment Rate per Special Benefit Point is determined by dividing the Total Cost of Improvements to Be Assessed by the sum of the Total Annexation Special Benefit Points noted in Section 4.

The calculation of the Maximum Assessment Rate per Special Benefit Point is shown below:

Description	Amount
Balance to Be Assessed	$9,801.07
Total Annexation Special Benefit Points	19.626
Maximum Assessment Rate per Special Benefit Point[(1)]	**$499.39**

(1) Beginning July 1, 2027, the maximum assessment per Special Benefit Point will be increased by the change in the February to February Consumer Price Index for all Urban Consumers, for the Los Angeles-Long Beach-Anaheim, CA region compared year over year not to exceed 3% annually.

The Maximum Assessment Rate per Special Benefit Point is multiplied by each parcel's Total Special Benefit Points to determine a maximum assessment amount per parcel.

6.3 Annual Maximum Assessment Rate Increases

Each parcel's actual assessment is determined by multiplying the assessment rate by the parcels total specific benefit points. If the total Annexation special benefit points change in future years, the allowable annual Maximum Assessment Rate will not be recalculated. The allowable annual Maximum Assessment Rate per special benefit point, plus the annual cost of living inflator, will remain fixed. The actual annual assessment rate will be calculated by dividing the fiscal year's net cost estimate to be assessed by the fiscal year's total special benefit points, not to exceed the allowable annual Maximum Assessment Rate for that fiscal year. The Maximum Assessment Rate per special benefit point is escalated each year on July 1 by the annual change in the February-to-February Consumer Price Index for all Urban Consumers, for the Los Angeles-Long Beach-Anaheim CA region not to exceed 3% annually, beginning July 1, 2027.

In any given year, the assessments may be levied at any rate sufficient to meet the estimated budget, as long as the actual assessment rate does not exceed the Maximum Assessment Rate for that fiscal year.

6.4 Future Changes to Parcel Characteristics

Future changes to parcel characteristics will cause changes in the total assessment revenue. The assessment revenue for any given year will be the product of the Annexation's parcel characteristics and the budget in effect for such fiscal year.

6.5 Data for Annual Assessment Calculations

Each year, as part of the assessment calculation procedures, the City or its designated consultant shall determine the land use type for each parcel based on the County Assessor's use code or other supplementary information made available and deemed reliable. The parcel characteristics of lot size shall similarly be based on the County Assessor's secured rolled data for the applicable year and may be supplemented with other reliable data sources.

Assessment amounts may change over time in accordance with changes to parcel characteristics including land use type and lot size.

6.6 Appeals

If any property owner believes the data used to calculate the assessment is inaccurate for any reason, the property owner shall submit, in writing, a request for review to the City. The property owner shall provide documentation needed to support the request for review. The City or its designated consultant shall review the request and provide a response to the property owner. The property owner must be current in the payment of all assessments when filing the request for review and must remain current during the review process. The property owner should continue to pay any regular property taxes due according to the County's due dates.

If the review conducted by the City or its designated consultant results in changes to any parcel characteristics used to compute the assessment, the City or its designated consultant shall recalculate the assessment. When recalculating the assessment, the assessment rates actually applied in such fiscal year shall be used. Only the assessment for the parcel or parcels subject to review shall be recalculated.

If the recalculated assessment is less than the amount submitted to the County on the secured property tax roll, the difference shall be credited back to the property owner. This credit shall be limited to the current fiscal year and the prior fiscal year, if applicable. The "fiscal year" shall follow the County's fiscal year for property taxes, from July 1 to June 30. The applicable fiscal year shall be determined by the date the request for review is submitted to the City.

> *For example, if a request for review is submitted to the City during Fiscal Year 2027/28, the Fiscal Year 2026/27 and 2027/28 assessments will be reviewed. The property owner credit shall be limited to any difference calculated for Fiscal Year 2027/28 (the current fiscal year) and Fiscal Year 2026/27 (the prior fiscal year).*

The credit may be provided in the form of a check to the property owner, an adjustment to the current year's property tax roll (if possible), or a credit to the succeeding year's assessment thereby reducing the amount placed on the secured property tax roll for such year.

If the recalculated assessment is greater than the amount submitted to the County on the secured property tax roll, the City or its designated consultant shall apply the recalculated assessment to the succeeding year's property tax roll and no adjustments shall be made to the prior or current fiscal years' assessments.

In any dispute over parcel characteristic data used to compute assessments, the City shall make a conclusive determination and its decision shall be final.

6.7 Method of Collection

The assessments will be collected annually on the County's secured property tax roll. The assessments will be subject to the County's assigned due dates and late penalties. However, the City may choose to collect the assessments in an alternate manner (including directly billing the property owner) as may be deemed appropriate or necessary by the City.

7. ENGINEER'S STATEMENT

The City of Palmdale Streetlight Maintenance Assessment District No. 1, Annexation 2026-204 assessments described in this Report have been prepared pursuant to Article XIII D of the California Constitution, the Proposition 218 Omnibus Implementation Act (Division 2 of the California Government Code §53739 et seq.), and the Landscaping and Lighting Act of 1972 (Division 15 of the California Streets and Highways Code §22500 et seq.) collectively, the "Assessment Law".

1. I have identified the parcels that will have a special benefit conferred upon it by the Improvements described in Section 2 of this Report (the "Specially Benefited Parcels").
    a. For particulars as to the identification of the parcels, reference is made to the Assessment Diagram, a copy of which is included in Section 8 of this Report.
2. I have assessed the estimated costs and expenses of the Improvements upon the Specially Benefited Parcel. In making such assessment:
    a. The proportionate special benefit derived from the Improvements by the Specially Benefited Parcels was determined in relationship to the entirety of the cost of the Improvements;
    b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel by the Improvements; and
    c. The general benefits have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit this Annexation Report and, to the best of my knowledge, information and belief, this Report, the assessments, and the Assessment Diagram herein have been prepared and computed in accordance with the Assessment Law.

By: John G Egan

John G. Egan
Assessment Engineer
R.C.E. 14853

9/29/2026



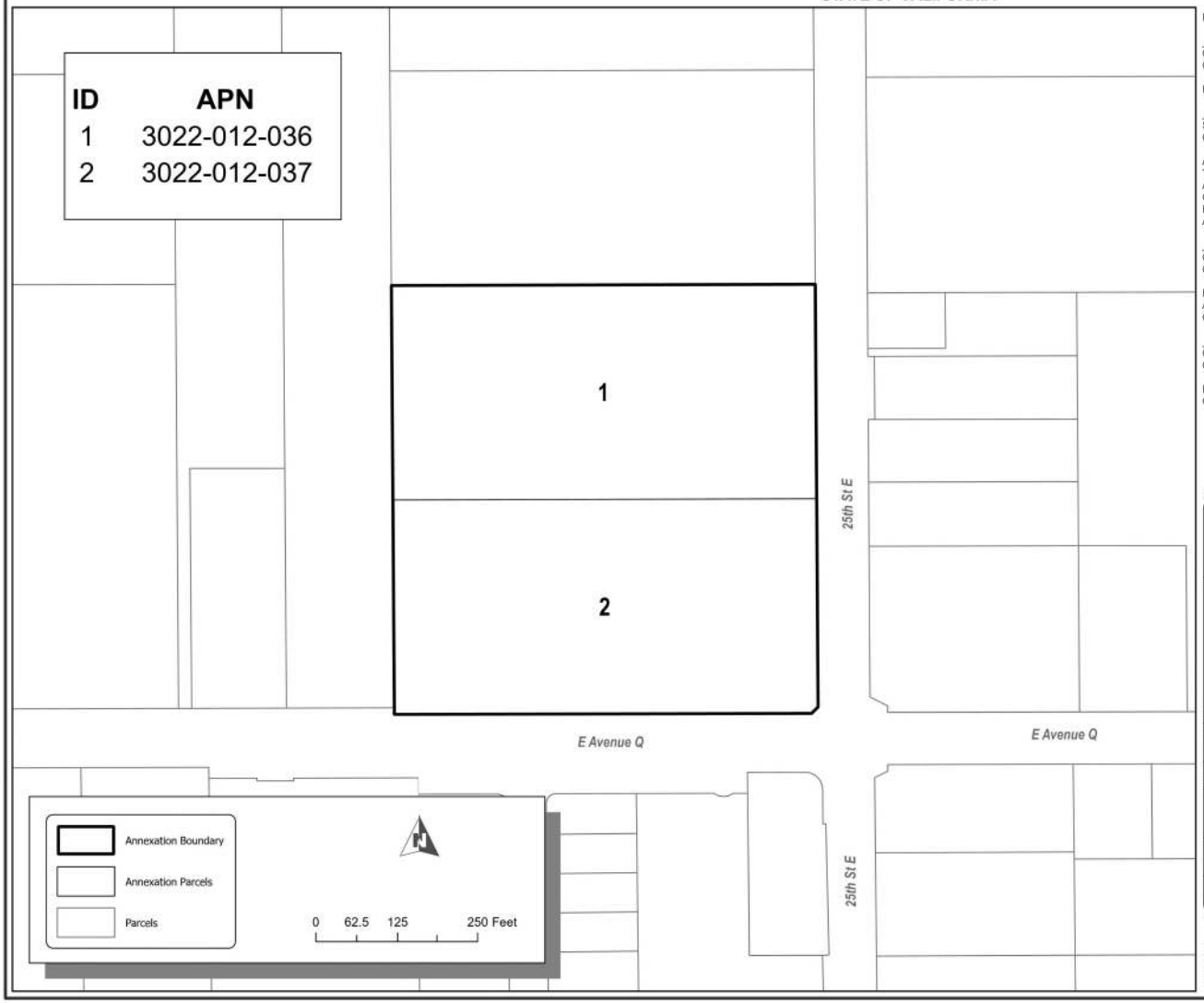
8. ASSESSMENT DIAGRAM

The following pages contains the assessment diagram for the Annexation.

ASSESSMENT DIAGRAM
STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, ANNEXATION 2026-204

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

ID	APN
1	3022-012-036
2	3022-012-037



FILED IN THE OFFICE OF THE CITY CLERK, THIS ____ DAY OF _____, 202_.

_____
CITY CLERK
CITY OF PALMDALE

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS ____ DAY OF _____, 202_.

_____
SUPERINTENDENT OF STREETS
CITY OF PALMDALE

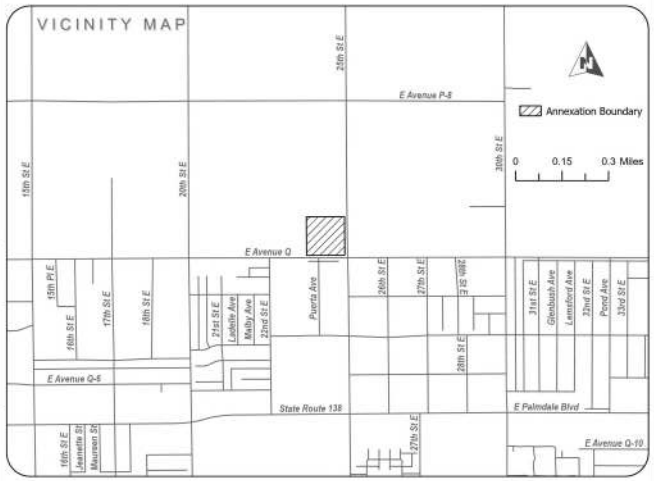
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 202_. THE ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY ON THE ____ DAY OF _____, 202_. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

_____
CITY CLERK
CITY OF PALMDALE

FILED THIS ____ DAY OF _____, 202_, AT THE HOUR OF _____ O'CLOCK _.M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ___, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

9. ASSESSMENT ROLL

City of Palmdale
Streetlight Maintenance Assessment District No. 1, Annexation 2026-204
Fiscal Year 2026/27 Proposed Maximum Assessment

ID	Assessor's Parcel Number	Fiscal Year 2026/27 Proposed Maximum Assessment
1	3022-012-036	$4,900.04
2	3022-012-037	$4,901.03
	TOTAL	**$9,801.07**

10. REFERENCES

[i] *Golden Hill Neighborhood Assn. v. City of San Diego* CA4/1, D062203 (Cal. Ct. App. 2013)

[ii] *Beutz v. County of Riverside*, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)

[iii] *Bonander v. Town of Tiburon,* 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)

[iv] *Manteca Unified School District v. Reclamation District No. 17 et al*, C077906 (Cal. Ct. App. 2017)

[v] U.S Department of Transportation. Federal Highway Administration. (2001). Designing Sidewalks and Trails for Access, Part II of II: Best Practices Design Guide. Retrieved from http://www.fhwa. dot. gov/ environment/bicycle_pedestrian/publications/sidewalk2/

[vi] Pucher, J., Buehler R., Meron, F., and Bauman, A. American Journals of Public Health, Supplement 1, Vol 101, No S1 (2011). Walking and Cycling in the United States, 2001-2009: Evidence from the National Household Travel Surveys. Retrieved from http://www.ncbi.nlm.nih.gov/pubmed/21551387

Exhibit A

Certificate of Tabulation Official
and
Statement of Assessment Ballots Submitted

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
ss. CITY OF PALMDALE)

The undersigned, the duly authorized tabulation official appointed by the City Council of the City of Palmdale, DOES HEREBY CERTIFY that pursuant to the provisions of Article XIIID of the Constitution of the State of California and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following), I did tabulate the assessment ballots timely submitted, and not withdrawn, in the assessment ballot proceedings pertaining to the City of Palmdale Streetlight Maintenance Assessment District No. 1 as Annexation 2026-204.

I FURTHER CERTIFY that this Statement of Assessment Ballots Received shows the assessment ballots submitted, and not withdrawn, in favor of the proposed assessment and the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment, each total weighted according to the financial obligation of the affected properties for which the assessment ballots were submitted.

Total assessment ballots distributed	1
Total assessment ballots received	
Total assessment ballots invalidated	
Assessment ballots received in favor of the proposed assessment:	
Weighted value of assessment ballots received in favor of the proposed assessment	
Percent of assessment ballots received in favor of the proposed assessment	
Assessment ballots received in opposition to the proposed assessment:	
Weighted value of assessment ballots received in opposition to the proposed assessment	
Percent of assessment ballots received in opposition to the proposed assessment	

This certification is executed this 9rd day of November 2026 in Palmdale, California.

By: _____

Title: _____

ASSESSMENT DIAGRAM
STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, ANNEXATION 2026-204

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK, THIS ____ DAY OF _____, 202_.

_____
CITY CLERK
CITY OF PALMDALE

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS ____ DAY OF _____, 202_.

_____
SUPERINTENDENT OF STREETS
CITY OF PALMDALE

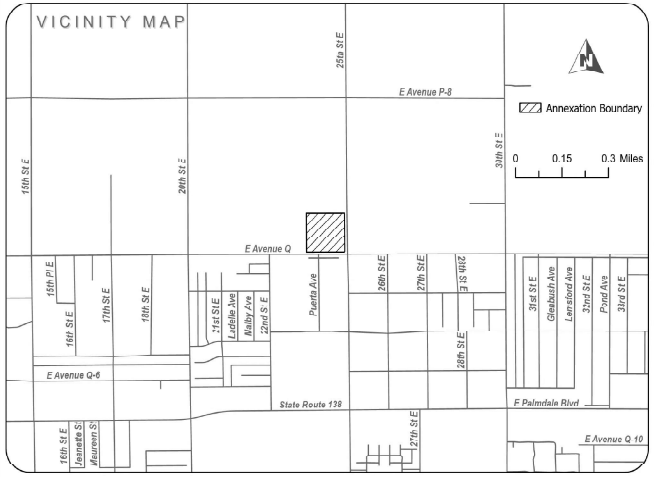
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_____
CITY CLERK
CITY OF PALMDALE

FILED THIS ____ DAY OF _____, 202_, AT THE HOUR OF ____ O'CLOCK .M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ___, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **ADOPT ORDINANCE NO. 1672, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING ZONING ORDINANCE AMENDMENT NO. 26-0001 TO MODIFY CHAPTER 17.88 SIGNS AND FINDING THAT THE AMENDMENT IS EXEMPT FROM ENVIRONMENTAL REVIEW**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive public testimony regarding proposed Ordinance No. 1672;

2. Adopt Ordinance No. 1672, an Ordinance of the City Council of the City of Palmdale, approving Zoning Ordinance Amendment (ZOA) No. 26-0001 to modify Chapter 17.88 Signs; and,

3. Find that the request is exempt from environmental review.

BACKGROUND

On October 8, 2026, the Planning Commission approved Resolution No. PC-2026-004 recommending City Council approval for ZOA 26-001 to modify Chapter 17.88 (Signs).

On September 21, 2022, the City Council adopted Palmdale 2045, establishing updated land use designations and development patterns to guide future growth. To implement Palmdale 2045, the City Council adopted ZOA 21-007 on March 15, 2023, comprehensively updating Title 17 of the Palmdale Municipal Code (PMC), including zoning designations and development standards.

As part of the City's continued implementation of these updates, staff reviewed PMC Chapter 17.88 (Signs) to ensure the City's sign regulations align with the updated land use and zoning framework and to identify provisions requiring clarification or modification.

DISCUSSION

ZOA 26-0001 proposes amendments to PMC Chapter 17.88 (Signs) to align the City's sign regulations with the updated General Plan land use and zoning designations, provide greater clarity and consistency, and improve administration and enforcement. The amendments update standards for various sign types, clarify review and approval procedures, and refine provisions related to enforcement and abatement of signs that do not comply with City requirements.

The amendments also update terminology and existing provisions to reflect current zoning designations and City procedures, clarify permitted and prohibited signage, and address the regulation of temporary, nonconforming, and outdoor advertising signs. These changes are intended to make PMC Chapter 17.88 (Signs) easier to administer and provide clearer direction to applicants, property owners, businesses, and City staff.

Overall, the proposed amendments provide a more consistent regulatory framework while maintaining standards that support community character, economic development, and public safety. The proposed ZOA is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the proposed amendments to the City's sign regulations will have a significant effect on the environment.

FISCAL IMPACT

$0; There is no proposed development; therefore, this action has no fiscal impact.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Ord. No. 1672
Reso. No. PC-2026-004

CITY OF PALMDALE, A CHARTER CITY,
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1672

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING OF ZONING ORDINANCE AMENDMENT NO. 26-0001 TO MODIFY CHAPTER 17.88 (SIGNS) 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) 26-0001, modifying Chapter 17.88 (Signs) (hereinafter referred to as "Application").

2. The Application was scheduled for consideration at the September 10, 2026, Planning Commission meeting. Although the meeting was properly noticed and agendized, the Planning Commission was unable to consider the item due to a lack of a quorum. Accordingly, the item was continued to the October 8, 2026, Planning Commission meeting; and

3. On October 8, 2026, the Planning Commission adopted Resolution No. PC-2026-004 recommending City Council approval of ZOA 26-0001; and

4. On November 9, 2026, the City Council of the City of Palmdale conducted a duly noticed public hearing. 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 Chapter 17.88 (Signs) is hereby amended to read as follows:

§ 17.88.010 Applicability.

This Chapter shall apply to all signs and/or sign structures that are visible from public rights-of-way and private streets, within parking lots and loading areas and from adjacent properties, unless such signs are regulated pursuant to the provisions of an adopted Specific Plan.

§ 17.88.020 Intent and Purpose.

The purpose of this Chapter is to implement the Palmdale General Plan by promoting the growth of the City in an orderly and attractive manner and to provide standards to

safeguard life, health, property, and public welfare by regulating and controlling the type, number, area, height, quality of materials, construction, illumination, location, and maintenance of all signs and sign structures. The sign standards of this Chapter are intended to accomplish the following results:

(A) Make the City attractive while enhancing economic development through an effective and high-quality signing program. Protect and enhance the character of neighborhoods by preventing visual clutter caused by excessive and obtrusive signage. Promote and maintain healthy commercial, mixed-use, and industrial areas and property values for effective identification and communication of the nature of goods and services and avoidance of wasteful and unsightly signs.

(B) Establish uniform Citywide signage standards and requirements that provide for public convenience by directing persons to various activities and uses.

(C) Provide a reasonable system of sign control throughout the City consisting of sign type, size, location, illumination, and spacing to contribute toward development of a high-quality visual environment.

(D) Encourage signs that are well designed and pleasing in appearance, and provide incentive and latitude for variety, good design, relationship, and spacing.

(E) Encourage a desirable community character, which has a minimum of visual clutter.

(F) Enhance aesthetic appeal through the reasonable regulation of such things as type, number, area, height, location, and illumination of signs.

(G) Encourage signs that are properly located, harmonious with adjacent land uses, and architecturally compatible.

(H) Reduce and, to the extent permissible and practicable, eliminate traffic and safety hazards posed to motorists and pedestrians by outdoor advertising structures and other signs that may distract motorists and pedestrians.

(I) Implement the goals, policies, and objectives of the General Plan.

(J) Encourage pedestrian-oriented commerce by promoting pedestrian-scale signs.

(K) Direct persons at entrances of multi-tenant buildings through placement of directory signs or information kiosks where such signage is supported by a compelling governmental interest and/or is government signage.

(L) Enhance the community environment by limiting the visual influence of wall signs on structures containing three stories or more.

(M) Ensure and protect the constitutional right of free speech by not imposing greater restrictions on noncommercial speech than on commercial speech or advertising.

(N) Provide sign criteria that is objective, does not vest City officials with unfettered discretion, and that is aimed at regulating the time, place, and manner of signs as distinguished from the content of the sign. Where content is regulated, the City intends its standards to be narrowly tailored to serve the City's compelling interest in preserving and enhancing its appearance and in protecting motorists and pedestrians from traffic and safety hazards.

(O) Bring existing approved sign programs into conformance with current development standards while maintaining the unique characteristics intended for such programs.

(P) Provide a reasonable amortization period for the removal of nonconforming signs.

(Q) Inventory, identify and abate all illegal, abandoned and improperly maintained signs.

(R) Identify precisely those areas and/or zones where the installation of additional outdoor advertising structures should be prohibited due to the importance of such areas to the environmental, economic, or other development goals and objectives of the City.

(S) Provide for the relocation of existing legal outdoor advertising structures so as to minimize the adverse effects of such signs on the City's goals and objectives, pursuant to the California Business and Professions Code Section 5412.

(T) Remove all outdoor advertising sign structures from the residential areas of the City, pursuant to the California Business and Professions Code Section 5412.

§ 17.88.030 Definitions.

"Agreement, billboard relocation" shall mean an agreement entered into between the City and a billboard owner resulting in removal of an existing outdoor advertising sign structure, reconstruction of the outdoor advertising sign structure on its existing parcel or relocation of the outdoor advertising structure to another parcel of property within the City, subject to the approval of a Conditional Use Permit.

"Outdoor advertising" shall mean the use of a sign or signs soliciting public support or directing public attention to the sale, lease, hire or use of any objects, products, services or functions which are not produced, sold or otherwise available on the premises where such sign is erected or maintained.

"Sign" shall mean any device, structure, fixture, surface, display, graphic, or visual element that is visible from a public right of way or outdoor area and is used to ~~object conveying a message and having a visual appearance primarily used for~~ attract

~~attracting public~~ attention or ~~patronage from the street, sidewalk, or other outside public area.~~ communicate any visual information or message, regardless of content. ~~Signs located completely within an enclosed building, and not exposed to view from a street, are not considered a sign for purposes of this Title.~~ A display or device, need not contain lettering to be a sign.

"Sign, abandoned" shall mean any sign associated with a business remaining in place for a period of 90 days or more where the establishment to which the sign is attached has ceased operation or where there is no sign copy appearing on the sign.

~~"Sign, accessory" shall mean signs that are secondary in purpose and provide information concerning the business and are typically placed on the outer edge of a permanent canopy island structure or that are displayed on or below a canopy projecting from a main building.~~

"Sign, advertising or commercial" shall mean any message, the prevailing thrust of which is to propose a commercial transaction.

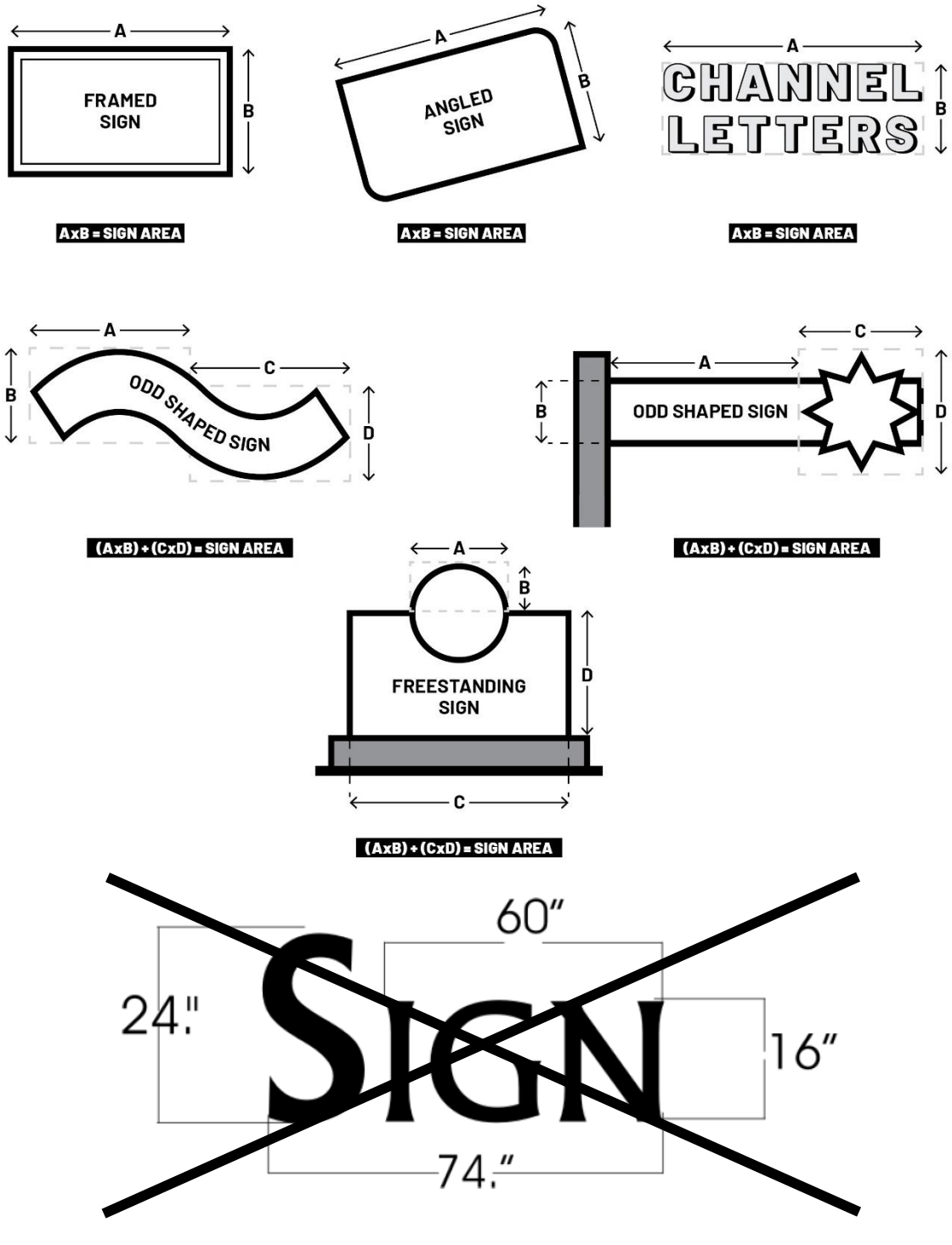
"Sign, advertising structure" shall mean a structure of any kind erected, used, or maintained for outdoor advertising purposes, upon which any poster, bill, printing, painting or other advertisement or commercial speech of any kind whatsoever may be placed, including statuary, for advertising or commercial purposes.

"Sign, alteration" shall mean any change of size, shape, illumination, position, location, construction or supporting structure of an existing sign.

"Sign, animated" shall mean a sign having moving parts or lighting, an image projection which creates the illusion of moving parts, or has flashing, chasing, or twinkling lights.

"Sign area" shall mean the entire area within ~~a single continuous~~ the perimeter ~~composed~~ of a maximum of two squares or rectangles which enclose~~s~~ the extreme limits of the writing, representation, emblem, or any figure, together with any frame, background area, structural trim, or other material, including any light or color that forms an integral part of the display which is used to differentiate the sign from the background upon which it is placed. In the case of a sign designed with more than one exterior surface, the area shall be computed as including only the maximum single display surface, which is visible from any ground position at one time. The supports or uprights on which any such sign is supported shall not be included in determining the sign area unless such supports or uprights are designed in such a manner as to form an integral background of the display.

FIGURE 17.88.030-12. SIGN AREA



"Sign, balloon" shall mean a flexible, nonporous bag inflated with a gaseous substance, including but not limited to helium, that is lighter than the surrounding air, which causes the bag to rise and float in the air

“Sign, banner” shall mean a temporary sign composed of flexible, lightweight material not enclosed in a rigid frame.

“Sign, billboard” shall mean the same as outdoor advertising sign structure.

“Sign, cabinet or can” shall mean a sign consisting of one or more flat translucent panels containing sign copy affixed to an internally illuminated box or cabinet mounted on a building or monument structure. Such signs are typically illuminated with fluorescent lights. Sign panels may or may not be interchangeable.

“Sign, canopy/awning” shall mean any sign printed or painted on the visible surface of a canopy or awning.

“Sign, change of copy” shall mean the changing of a message on a lawfully erected sign. A change of copy does not include the following (all of which acts shall be considered as the placing of a new sign): any alteration or reconfiguration of the outside dimensions of a sign, any structural modifications of a sign and/or relocation of all or any portion of a sign.

“Sign, changeable copy” shall mean a sign on which message copy can be changed manually through use of attachable letters and numerals.

“Sign, City kiosk program” shall mean a uniform off-site directional sign program, administered by the ~~BIA~~ City or an agency as determined by ~~resolution of~~ the City ~~Council~~ for the purpose of providing travel directions.

“Sign, construct” when used with reference to a sign, shall mean to install, erect, or place on the ground or on a building structure, or to affix, paint or post on or to a building or structure.

“Sign, copy” shall mean either commercial speech or noncommercial speech messages.

“Sign, digital advertising display” shall mean an electronic advertising display where the message is changed more than once every two minutes, but no more than once every six seconds and the transition between messages is no more than one second. A digital advertising display shall not be considered an electronic reader board or animated sign as those terms are otherwise defined herein.

“Sign, directional” shall mean any sign that serves solely to designate the direction or the location of any place or area and is placed on the property to which the public is directed. Distinctions for directional signs within this Chapter are limited to those

situations where there is a compelling government interest and/or where the directional sign qualifies as a government sign.

“Sign, directory” shall mean a sign or a set of similarly designed individual signs placed or displayed in sequence, to list the location of various units within a development. Distinctions for directory signs within this Chapter are limited to those situations where there is a compelling government interest and/or where the directory sign qualifies as a government sign.

“Sign, double-faced” shall mean a sign with copy on two faces, legible from opposite directions.

“Sign, electronic reader board” shall mean a sign that contains a video screen, rows of light bulbs or other type of electronic display, which when activated forms messages, symbols, or graphics. Electronic reader boards do not include outdoor advertising sign structures utilizing digital advertising display pursuant to PMC §17.88.135~~0.E~~.

“Sign, externally illuminated” shall mean any sign constructed to have artificial light shone on the sign face from a lighting source that is external to the sign structure.

“Sign face” shall mean the surface or that portion of a sign upon which the sign copy or message is located that is visible from a single point as generally a flat surface or a single plane.

“Sign, flashing” shall mean the same as “Animated Sign”.

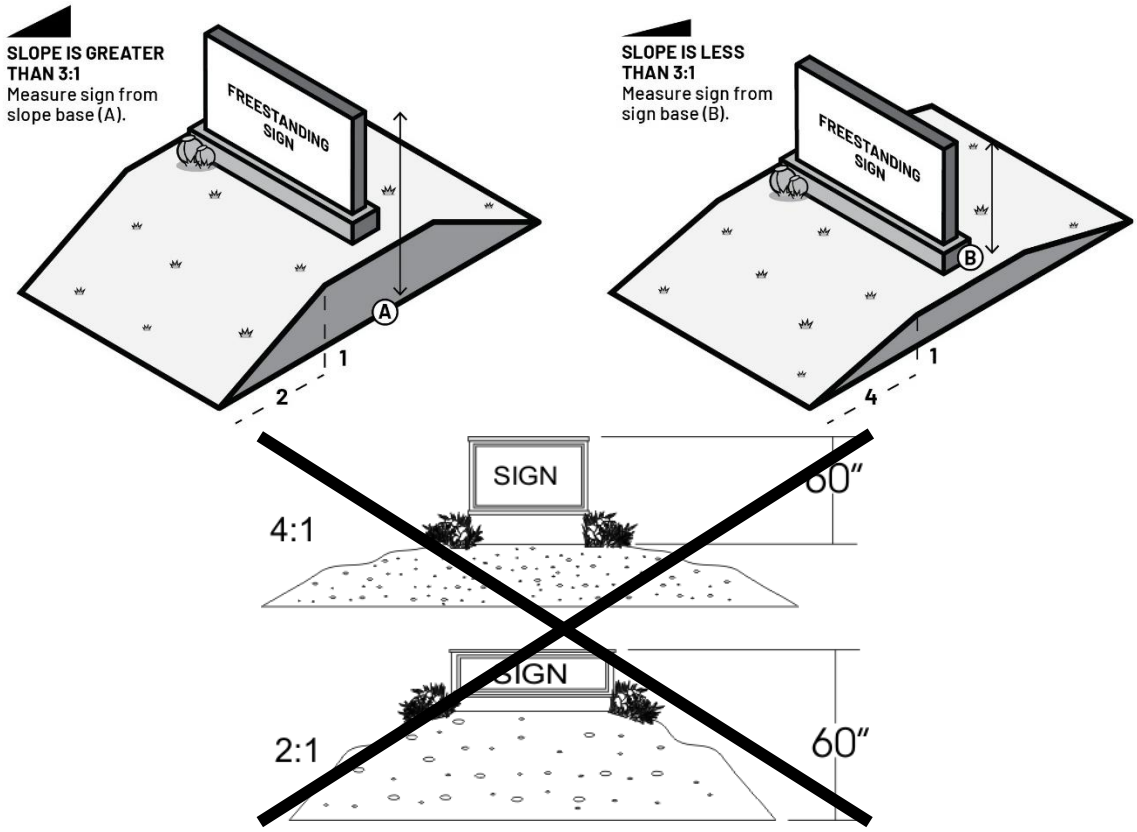
“Sign, freestanding” shall mean any sign supported by structures or supports that are placed on, or anchored in, the ground, which are independent from any building or other structure. ~~This definition may include pole signs, ground signs and monument signs.~~

“Sign, government” shall mean a sign ~~erected and~~ maintained by the City ~~Federal, State, or local government~~, or any other public agency, or third-party designated by a public agency. Government Sign shall also mean a sign that is required to be constructed, placed, or maintained by the Federal, State, County, or local government or any other public agency either directly or to enforce a property owner’s rights. Government Sign shall also include a sign erected and maintained by any person authorized by the City pursuant to resolution, license, or agreement, as part of the City kiosk sign program or the government sign section, which may include a digital advertising display or an electronic reader board.

“Sign, halo” shall mean a sign that directs light toward the wall behind the sign or lettering rather than outward creating a halo or negative effect.

"Sign, height of freestanding" shall mean the greatest vertical distance measured from ground surface to the top of the freestanding sign and any accompanying architectural feature of the sign. Intentional changes in the elevation of the ground surface by mounding within landscape areas utilizing more than a 3:1 slope in order to achieve an increased overall height shall be counted in the calculation of sign height.

FIGURE 17.88.030-~~2~~1. FREESTANDING SIGN HEIGHT



"Sign, height of nonfreestanding" shall mean the greatest vertical distance measured from the bottom to the top of the sign area.

"Sign, human" shall mean any person having a visual appearance primarily used for, or having the effect of, attracting attention from the streets, sidewalks, or other outside public areas for identification purposes to convey a commercial message. Noncommercial messages shall not be considered within the definition of human signs.

"Sign, illegal nonconforming" shall mean any sign structure which did not conform to applicable laws and/or was not granted a sign permit when constructed and has not been brought into full conformity by a specific remedy provided in this Title.

~~"Sign, information kiosk" shall mean a freestanding or wall-mounted sign structure, other than an outdoor advertising structure, billboard, or monument sign, that is designed to display a collection of two or more on-site signs or noncommercial signs.~~

"Sign, internally illuminated" shall mean any sign constructed to have artificial light shone on the sign face from a lighting source that is inside the sign structure.

"Sign, legal nonconforming" shall mean any sign that was lawfully erected, with all necessary permits, but due to a change in the law, fails to conform to all applicable standards and limitations of this Title.

"Sign, maintenance" shall mean the repair, restoration or preservation of an existing sign or sign structure to a condition or state similar to, but not larger than, that which was originally installed, erected, or approved by the City.

"Sign, marquee" shall mean a freestanding structure, wall sign or a structure that overhangs the entrance of a building or projects beyond a building facade, on which a changeable copy sign is affixed, including, but not limited to those typically displayed outside theaters, hotels, schools, or churches. Individual letters are changed manually on such signs as opposed to electronically.

"Sign, mobile billboard" shall mean any vehicle, trailer, or wheeled conveyance that carries, displays, or supports a sign and is used for the primary purpose of displaying signage, regardless of message content.

~~"Sign, monument" shall mean a low-profile, ground-mounted freestanding sign that is supported by a solid base as an essential element of the design of the sign.~~

~~"Sign, neon" shall mean a sign constructed of tubing that is illuminated by means of a gas or vapors. Decorative or other architectural elements on buildings consisting of neon tubing are not included in this definition.~~

"Sign, off-site/off-premises ~~commercial~~" shall mean a sign displaying a permanent commercial message that is not located on the site of the business, accommodations, services, or commercial activity served by the sign.

"Sign, official" shall mean signs that help direct pedestrians and motorists away from roadway hazards, toward public services, and informs those persons of the applicability of certain traffic regulations which are required to be erected by the City, the State Department of Transportation, or any other public agency.

"Sign, on-site/on-premises ~~commercial~~" shall mean a sign that is located on the site of the business, accommodations, services, or commercial activity served by the sign.

“Sign, outdoor advertising structure” shall mean a panel or billboard affixed to the ground, enclosed in a rigid frame used to display paid commercial and noncommercial messages or advertisements in outdoor public places, such as alongside highways.

“Sign, painted” shall mean a wall sign painted directly onto the surface of a building or onto a separate flat surface that is attached to the side of a building.

~~“Sign, pole” shall mean a permanent freestanding sign supported by one or more posts, columns or poles that are not enclosed in a solid structure equal in width to at least one-quarter the sign face and where the portion of the unenclosed posts, columns or poles exceeds 18 inches in height. This definition shall not include in whole or in part electronic reader boards or digital advertising displays.~~

"Sign program" shall mean an approved plan by the Director setting forth all signage for an approved commercial, business, or industrial center.

“Sign, projecting” shall mean a sign that is attached to and projects away from the side of a building. Such signs are typically oriented for pedestrian visibility and are viewed perpendicular to the face of the building.

“Sign, reader board” shall have the same definition as the term Electronic Reader Board.

“Sign relocation” shall mean to move a sign from one location to another or to remove a sign from one location and construct a similar sign at another location.

“Sign, roof” shall mean any sign erected upon, against, or directly above a roof, or projecting above the parapet of a building. Signs erected completely below the uppermost roof line on a mansard roof shall not constitute a roof sign.

“Sign, secondary skyline” shall mean a wall sign that is placed below the second floor of a building consisting of three stories or more.

“Sign, skyline” shall mean a wall sign that is placed above the windows of the highest floor of a building consisting of three stories or more.

"Sign structure" shall mean any structure, which supports, has supported, or is capable of supporting a sign, including decorative cover.

“Sign, temporary” shall mean a sign that is displayed for the specific period of time of an event and which is removed immediately after the completion of the event or time period.

“Sign, under-canopy” shall mean signs suspended no lower than eight feet above the public right- of-way or a walkway under a canopy or awning of a building.

"Sign, unlawful" shall mean a sign which was constructed illegally and which violates this Chapter, or which the Director declares to be unlawful because it has become dangerous to public safety.

"Sign, upgrade" shall mean any activity intended to improve the design quality and aesthetic appeal of an existing sign, display, or device by modifying structural elements of, or providing substantial cosmetic enhancements to, such sign, display or device.

"Sign, vehicle" shall mean any sign painted directly upon, magnetically affixed to or ~~permanently~~ affixed to the body or other integral part of an operative vehicle or trailer~~; provided, that the maximum number of such signs is two and the maximum size of each sign is four square feet~~.

"Sign, wall" shall mean a sign attached to, painted, or erected on the exterior wall of a building or structure with the exposed face of the sign in a plane approximately parallel to the plane of the exterior wall.

"Sign, window" shall mean a temporary or permanent sign with a single face of copy that is painted or installed on a glass window or door, or located within 12 inches from inside the window, in a manner which can be viewed from the exterior of a structure. ~~sign constructed of paper, canvas, cardboard or painted with water soluble pigment which is to be displayed on the inside of a glass window surface or painted on the outside of a window.~~ This term does not include merchandise located in a window.

~~"Speech, commercial" shall mean any message, the prevailing thrust of which is to propose a commercial transaction.~~

~~"Speech, noncommercial" shall mean any message that is not determined to be commercial speech as defined herein. Speech that is determined to be obscene shall not be included~~

"Structure, advertising" shall mean a structure existing, erected or maintained to serve exclusively as a stand, frame or background for the support or display of signs.

17.88.040 Sign Permit Requirements and Procedures

Except as otherwise provided in this Chapter, no person shall cause or permit the construction, enlargement, remodeling, or upgrade of any sign without first obtaining a sign permit pursuant to the provisions of this Section, and any other permits required by law. Legally established signs becoming nonconforming as a result of this Chapter shall be subject to amortization pursuant to PMC §17.88.140~~150~~ (Amortization and Abatement of On and Off-Premise Signs, Sign Programs and Outdoor Advertising Sign Structures ~~outdoor advertising sign structures (Billboards)~~). Any person or entity

engaged in the business of constructing or installing signs in the City shall have a valid State contractor's license, as applicable, and a City business license.

In each instance, and pursuant to the same conditions to which this Chapter permits any sign with a commercial message, a sign containing a noncommercial message and constructed to the same physical dimensions, character, and standards shall be allowed.

(A) Application Requirements. An application for a sign permit shall be made on the appropriate form(s) provided by the Director. A processing fee established by resolution of the City Council for new sign permits shall accompany applications. Applications for new sign permits shall contain all of the following information and materials:

1. Project location

   a. Address or nearest cross streets

   b. Assessor's parcel number (for vacant land)

2. Name of business (if applicable);

3. Name, address, and phone number of person and firm preparing application;

4. Applicant or applicant's authorized leasing agent name, signature, and telephone number;

5. Description and number of signs requested~~, including all accessory signs~~;

6. Drawing depicting dimensions, design, colors and materials of the sign or sign structure(s);

7. Construction specifications for method of attachment of the sign to the ground or structure and illumination;

8. Building elevation (for wall signs) depicting the dimensions, color and materials of the building or leaseholder unit where sign is to be attached. A photograph may be used to show the color and material of the building;

9. Site plan (for freestanding signs). Showing the intended location and position of the proposed sign; distance to existing or future structures, parking facilities, any outdoor seating areas, other freestanding signs, property lines, roadways, and driveways on or adjacent to the parcel where the sign is to be located; and

10. Grading Plans (for freestanding signs), demonstrating grade elevation within landscaped areas in relationship to the public right-of-way in immediate proximity of proposed sign structure(s).

(B) Review Process. ~~An application for a sign permit to construct a new sign or to enlarge or upgrade an existing sign for an existing building shall be submitted on the appropriate form(s) provided by the Director and accompanied by a processing fee established by resolution of the City Council.~~ The Director shall approve the sign permit if the Director finds that such application satisfies the standards set forth in Subsection (C) of this Section (Criteria for Approval) of this Section and the provisions of this Chapter. Otherwise, the Director shall deny the sign permit, in which case the applicant shall be notified in writing the reason(s) why the application was denied. All decisions of the Director may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

(C) Criteria for Approval. The following findings shall be made for approval of any sign permit for a sign or sign structure regulated by this Chapter:

1. The sign complies with the applicable provisions of PMC §17.88.080~~090~~ (General Development Standards), for permanent sign structures regulating the allowable sign area, location, setbacks, orientation, design, construction, materials, colors, and illumination; and,

2. The sign complies with the adopted sign program for the site, which regulates the size, color, lettering, location, and other design elements specified in the sign program (if applicable).

~~17.88.050 Change of Copy Requirements and Procedures~~

~~The application for a change of copy on an existing legally established and legally existing sign shall be made on the appropriate form(s) provided by the Director. Any person or entity engaged in the business of constructing signs in the City shall have a valid state contractor's license and a City business license. In each instance, and pursuant to the same conditions to which this Chapter permits any change of copy, a sign containing an ideological, political, religious, or other non-commercial message and constructed to the same physical dimensions, character, and standards shall be allowed.~~

~~(A) Applications for a change of copy shall contain all of the following information and materials:~~

~~1. Project location including address or nearest cross streets, assessor's parcel number (for vacant land), and name of business (if applicable);~~

~~2. Name, address, and phone number of person and firm preparing the application;~~

~~3. Applicant or applicant's authorized leasing agent name, signature, and telephone number;~~

~~4. Description and number of signs for which change of copy is requested; and,~~

~~5. Previously approved sign plans depicting sign area, dimensions, colors, design and materials, and method of illumination of the original sign or sign structure.~~

~~(B) Review Process. An application for a change of copy to upgrade an existing sign shall be reviewed by the Director following submittal of a complete change of copy application. The Director shall either approve the requested change of copy if the Director finds that such application satisfies the standards set forth in Subsection (C) of this Section (Criteria for Approval) and the provisions of this Chapter or the Director shall deny the sign permit, in which case the applicant shall be notified in writing the reason(s) why the application was denied. All decisions of the Director may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).~~

~~(C) Criteria for Approval. The following findings shall be made for approval of any change of copy regulated by this Chapter:~~

~~1. The requested change of copy is to change the face of a legally-established sign structure that was issued all required permits at the time the sign was originally constructed;~~

~~2. The sign structure to which the change of copy is requested is of sufficient integrity and strength to adequately support the sign copy; and,~~

~~3. The requested change of copy does not alter or reconfigure the outside dimensions of the sign, structurally modify the sign, or relocate the sign from its original construction.~~

17.88.05~~6~~0 Sign Program Requirements and Procedures

Anyone wishing to establish a new sign program for the purpose of establishing a coordinated project theme consisting of uniform design elements for multiple tenants and/or for modifying the spacing, location, size, or height requirements for signs may apply for a sign program pursuant to this Section. Elements not specified as a component of the sign program shall comply with all applicable City sign standards as required pursuant to this Chapter. A processing fee established by resolution of the City Council shall accompany applications for new sign programs along with the following:

(A) Application Requirements. An application for a sign program shall be made on the appropriate form(s) provided by the Director. A processing fee established by resolution of the City Council for sign programs shall accompany applications. New applications for sign programs shall contain the following information and materials.

~~(B) Sign Program Specifications. The following shall be submitted in support of an application for a sign program at a minimum. Where appropriate, illustrations shall be included.~~

1. Size and material specifications;

2. Method of attachment;

3. Method of illumination;

4. Architectural design enhancements;

5. Location(s) of signs;

6. Major or other tenant sign specifications, provided total center sign area is not exceeded;

7. Letter style, font, color, and/or height specifications;

8. Spacing standards for signs; ~~and,~~

9. Additional sign restrictions, which may include prohibited signs; and

10. Illustrations, where appropriate.

(B) Review Authority. The Director shall be the review authority for sign programs except as provided below.

1. If the Director determines that the sign program includes free standing signs that are taller than 12 feet that may have significant impacts on the project site or surrounding properties, the Director may defer approval of the sign program to the Planning Commission.

(C) Review Process. Applications for new sign programs shall be submitted on the appropriate form(s) provided by the Director and accompanied by a processing fee established by resolution of the City Council. The ~~Director~~ applicable review authority shall approve the application if ~~the Director~~ it finds that such application satisfies the standards set forth in Subsection (D) of this Section (Criteria for Approval) and conforms to the provisions of this Chapter. Otherwise, the sign program shall be denied and the applicant shall be provided with the reason(s) for the denial in writing from the ~~Director~~ applicable review authority. All decisions ~~of the Director~~ on sign program applications may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

(D) Criteria for Approval. An application shall be approved so long as it complies with the following criteria:

1. The sign program establishes a coordinated project signage theme or modifies the spacing or location standards within an approved commercial, business, or industrial center; and,

2. The sign program meets all of the provisions contained in this Section.

17.88.060~~070~~ Exemptions to Sign Permit Requirements

The following signs shall be allowed without the requirement of a sign permit in all zones, except as specified herein in which case such signs shall comply with PMC §17.88.040 (Sign Permit Requirements and Procedures). All exempt signs shall be subject to PMC §17.88.080~~090~~ (General Development Standards), and PMC §17.88.160~~180~~ (Administration):

(A) Bus Shelter Signs. Signs located on bus shelters as specifically allowed by resolution of the City Council.

(B) Flags. One flagpole per developed parcel with a maximum of two flags, not to exceed 35 feet in height and 25 square feet in area. One additional flagpole with up to two additional flags may be allowed subject to approval of a sign permit.

~~(C) Information Kiosks. Information kiosks that are allowed by the zone as an accessory use and shall not exceed six feet in height or 16 square feet in area per face (maximum 32 square feet for a multi-sided kiosk). Information kiosks may be located within public property or right-of- way, subject to approval by the Director of Public Works or his/her designee. Wall-mounted signs are not exempt and are subject to the sign standards for the zone.~~

(C~~D~~) Interior Signs. Signs located inside a building~~,~~ or structure~~, or mall~~ provided the sign copy is not visible to the public right-of-way or a parking lot or is not located so as to be conspicuously visible and readable without intentional and deliberate effort from outside the building, structure, or mall.

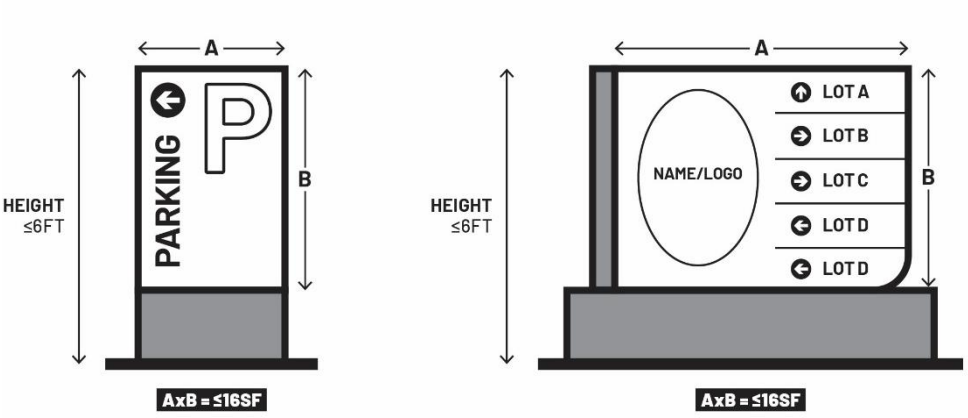
(D~~E~~) Home-based Business Signs. Mandatory signs required by Federal, State, County, or other agencies for home-based businesses.

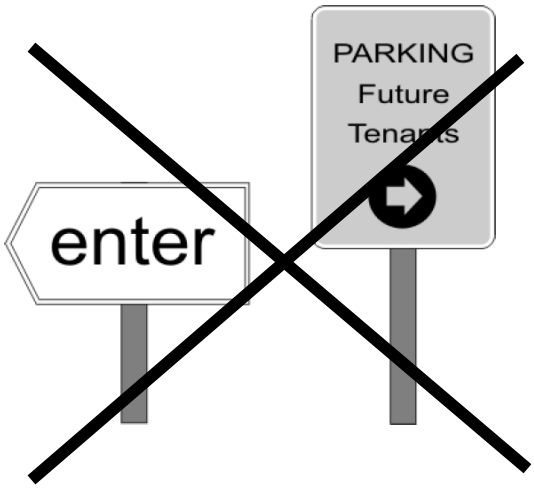
(E~~F~~) Light Pole Banners. Light pole banners as specifically allowed pursuant to PMC §17.88.110~~130~~ (Government Signs).

(F~~G~~) Government Signs. Signs as specifically allowed pursuant to PMC §17.88.110~~130~~ (Government Signs).

(G~~H~~) On-site Directional Signs. On-site directional signs not to exceed six feet in height or 16 square feet in area per face are allowed to provide information for the direction or convenience of the public, such as outlining/assisting vehicle and pedestrian circulation within a site. ~~The City has a compelling interest in ensuring traffic safety, and to directly advance that interest, the City will allow on-site directional signage so as to assist and direct traffic circulation into, out of, and through parking lots on private property. On-site directional signs shall be limited in number to five signs. Developed sites that have more than one frontage shall be allowed four signs per frontage up to eight total signs. The maximum area for such signs shall not exceed six square feet in area per sign and eight feet in height. Up to three times the allowable sign area and an additional four feet in height may be allowed with approval of a sign permit when it can be reasonably justified that due to the subject property or use, visibility constraints exist which justify larger signage.~~

FIGURE 17.88.060~~070~~-1. ON-SITE DIRECTIONAL SIGNS





(H~~I~~) Official Signs. The City has a compelling interest in facilitating traffic safety for pedestrians and motorists. This interest is directly advanced by having official signs that help direct pedestrians and motorists away from roadway hazards, toward public services, and informs those persons of the applicability of certain traffic regulations. To accomplish this compelling purpose, the City finds that it shall allow for such signs to be erected, moved, and changed by governmental officials with minimal regulation from the Economic and Community Development Department. For these reasons, the City hereby exempts the following signs from its sign permit requirements and development standards. Official traffic, fire and police related signs, temporary traffic-control signs used during construction, utility facilities and substructure location and identification signs and markers required to protect said facilities, and other signs and markers required by the City, the State Department of Transportation, or any other public agency.

(I~~J~~) Signs Accompanying the Sale of Personal Property. One sign not exceeding four square feet in area may be placed on residential property where personal property is displayed for sale pursuant to the provisions of this Title.

(J~~K~~) Signs on Vehicles. Vehicle signs, as defined in PMC §17.88.030 (Definitions), in compliance with all of the following: ~~provided that the vehicle is not parked in a required parking space adjacent to a public right-of-way for the primary purpose of advertising.~~

1. The display shall be flush with and painted directly upon, magnetically affixed to, or permanently affixed to the body of an operative vehicle.

2. The maximum number of such signs is two and the maximum size of each sign is four square feet.

3. Illumination and/or animation is prohibited.

4. Changeable and electronic copy is prohibited.

5. Any signage required by state law or local ordinance to be affixed to a vehicle, or vehicle signage required to protect public health, safety, and welfare is also exempt.

6. Vehicles positioned or used for the primary purpose of displaying signage visible from a public right-of-way shall be regulated as mobile billboards pursuant to PMC §17.88.070, regardless of message content

(K~~L~~) Temporary Signs. The City has a compelling interest in making the City attractive to residents, visitors, and business owners. To accomplish this interest, the City finds it necessary to establish standards for temporary signs and to regulate their duration. All temporary signs in the City shall be subject to the following:

1. Number. No more than one temporary sign shall be allowed per authorized use as specified in this Section.

2. Permission. Temporary signs may be placed on private property with the owner's permission. Nothing in this subsection shall prohibit the owner of a piece of property, or his or her authorized representative, from removing a temporary sign from his or her property when the sign has been erected without his or her consent; and provided, further, nothing in this subsection shall prevent the Director, Code Enforcement staff, or other authorized representative of the City from taking action to abate sign violations.

3. Illumination. Temporary signs shall be non-illuminated.

~~FIGURE 17.88.070-2. TEMPORARY SIGN~~



4. Removal. When displayed for a specific event or activity, temporary signs shall be removed within 10 calendar days of the advertised event or activity.

5. Temporary ~~Noncommercial~~ Signs. No person shall remove, destroy, relocate, or otherwise disturb any temporary ~~noncommercial~~ sign, or direct, permit or allow such removal, destruction, relocation, or disturbance, without the permission of the party who erected the sign. It shall be presumed, as to signs for political candidates, that the political candidate or his or her representative is the party who erected the sign. It shall further be presumed that the committee who has registered with the Secretary of State to support a position on a ballot proposition is the party who erected the sign taking the position on the ballot measure.

6. Temporary On-site ~~Commercial~~ Signs. Temporary signs located on the same property as the activity, use, or permit to which they relate may be displayed as follows, regardless of message content: ~~Temporary on-site commercial signs may be displayed as follows:~~

a. Signs Associated With Active Permits. Temporary signs may be displayed during the period that an approved and valid Planning entitlement, Grading Permit, Building Permit, or other City-issued development permit is active for the property. ~~During the period that a valid Grading or Building Permit exists.~~

~~b. For a maximum of 60 calendar days after the issuance of a business license for a new business. A new business may include an existing business under new~~

~~ownership but does not include an existing business under new management. The size of a new business banner utilized pursuant to this Section shall be as allowed under PMC 17.88.100 (Temporary Banner Permit for Commercial and Industrial Properties).~~

b~~c~~. Signs Associated With Seasonal On-Site Sales. Temporary signs may be displayed during seasonal sales of goods or products lawfully produced, offered, or sold on the property. ~~During the seasonal sale of agricultural products lawfully produced on the property.~~

c~~d~~. Signs Associated With Property Availability. One temporary sign per property, or one per commercial center, may be displayed during periods when the property is available for occupancy or use pursuant to a lawful transaction. Temporary banners are not permitted under this subsection. ~~During the period when property is for sale, lease or rent.~~

d~~e~~. Signs Authorized by a Temporary Use Permit or Special Event Permit. Temporary signs may be displayed as part of an approved Temporary Use Permit or Special Event Permit issued pursuant to PMC §17.26.100. The permit number shall be affixed to each temporary sign so as to be readily visible to City inspectors. Any temporary sign not displaying the permit number may be removed by the City. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and disposing of the sign.

e~~d~~. Enforcement. Where written notification has been provided by the City and compliance has not been achieved within 10 days, the City may remove any temporary sign displayed in violation of this Section. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and disposing of the sign.

~~(e)As a part of an approved Temporary Use Permit or Special Event Permit as specified in PMC Section 17.26.100 (Temporary Use and Special Event Permits) for:~~

~~i. Parking lot and sidewalk sales;~~

~~ii. Grand openings and anniversary events;~~

~~iii. Outdoor art and craft shows and exhibits;~~

~~iv. Bazaars, pony rides and festivals;~~

~~v. Mobile health services;~~

~~vi. Christmas tree lots, pumpkin lots, haunted houses, and firework stands; and,~~

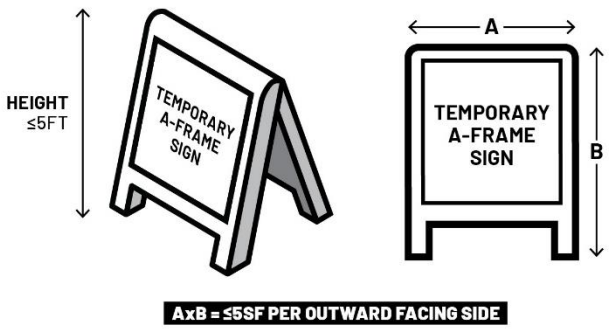
~~vii. Circuses, carnivals, rodeos concerts, shows, or similar enterprises.~~

f~~f~~. Inflatable Displays. Inflatable displays may be approved by the Director for a period of time not to exceed an aggregate total of 45 days per calendar year and 14 consecutive days, and shall only be approved as part of a Special Event or Temporary Use Permit, as provided for in PMC Section 17.26.100 (Temporary Use and Special Event Permits). Inflatable displays shall be securely fastened, ground-mounted and maintained in a good condition. Inflatable displays do not include balloons typically found in retail stores. The permit number of the Temporary Use and Special Event Permit authorizing the use of the inflatable display shall be affixed to the display so as to be readily visible by City inspectors. Any such sign not displaying the permit number shall be removed. Where due written notification has been given by the City and compliance has not been made within 10 days of written notification, the City may cause removal of such signs. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and destroying or otherwise disposing of the sign.

g~~g~~. ~~Temporary on-site commercial signs allowed pursuant to this Section may also display noncommercial messages.~~

7. A-frame Signs. One temporary A-frame or similar impermanent freestanding sign is allowed for any use located within the Mixed-Use ~~z~~Zones and ~~civic center~~ Commercial/Office Zones where pedestrian-oriented use is encouraged. Such signs shall be non-illuminated and not exceed five square feet per side (maximum two sides) and a height of five feet. Signs shall be constructed using a minimum of industrial grade particleboard (or equivalent) and designed with radius edges, unexposed hinges, and feet. Only oil-based paints shall be used for painted signs, which shall be professionally painted. Placement of A-frame signs shall not impede pedestrian or handicap access.

FIGURE 17.88.060~~070~~-2~~3~~. A-FRAME SIGN

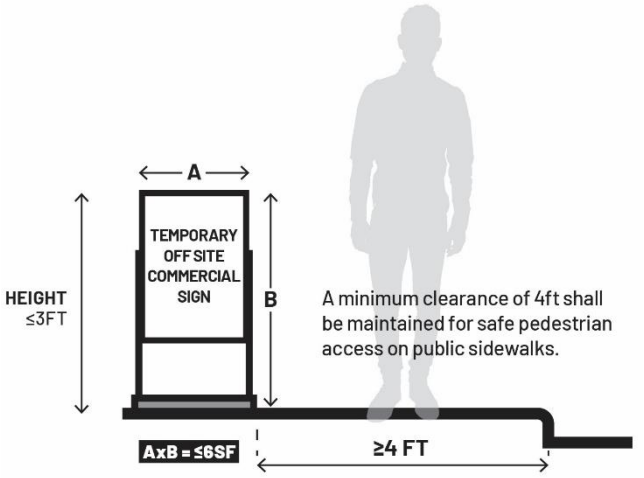


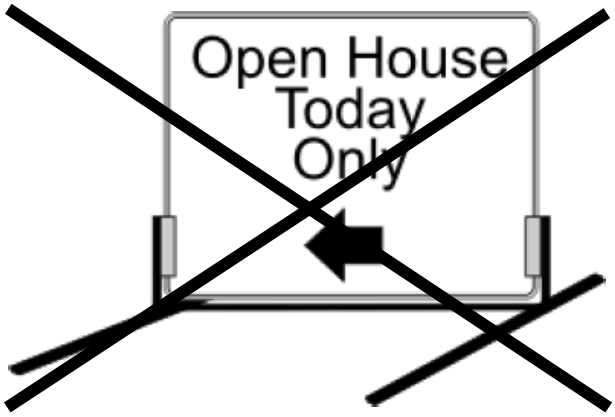


8. Temporary Off-site ~~Commercial~~ Signs. Temporary off-site ~~commercial~~ signs may be displayed in ~~are allowed in~~ ~~the single-family~~ residential zones as follows:

a. Temporary off-site ~~commercial~~ signs shall be freestanding only and shall not be affixed to posts or utility poles or pushed or hammered into the ground. Such signs shall be formed from aluminum or a hard plastic material (or equivalent) pursuant to current industry standards. Cardboard or paper signs are prohibited ~~not allowed~~. Signs shall not exceed six square feet in area and three feet in height. Signs shall be of sufficient weight in order to keep upright and in place. ~~No r~~Reflective paint or day-glo colors shall be prohibited ~~are allowed~~. Signs shall not include balloons, ribbons, pennants, streamers, or other attachments.

FIGURE 17.88.060~~070~~-~~3~~4. TEMPORARY OFF-SITE COMMERCIAL MESSAGE SIGN





~~b. Signs shall not be placed within subdivision landscape easements.~~

b~~c~~. Up to one such sign may be located at any one corner of an intersection provided ~~handicap~~ ADA access is maintained.

c~~d~~. No sign shall be placed upon any private property without first obtaining permission from the owner of such property.

d~~e~~. No sign shall be placed within the public right-of-way without approval of an encroachment permit issued by the City Engineer. A minimum clearance of four feet shall be maintained at all times for safe pedestrian access on public sidewalks. Signs may not be located on center medians or within the public street where vehicles travel. Where the public right-of-way extends into a parkway strip, signs shall be placed so as not to cause damage to landscaping and/or irrigation systems. One or more signs may be approved with an encroachment permit. Signs that do not comply are subject to removal pursuant to PMC §17.88.140~~160~~ (Amortization and Abatement of On and Off-Premise Signs, Sign Programs and Outdoor Advertising Sign Structures).

e~~f~~. Signs may be displayed only during daylight hours on weekends, holidays, and one day during the week.

f~~g~~. Temporary off-site ~~commercial~~ signs allowed pursuant to this Section may also display noncommercial messages.

(L~~M~~)—Window Sign, Permanent. One permanent non-illuminated window sign not exceeding four square feet in area.

~~(N) Window Signs, Temporary. Temporary window signs not exceeding 25 percent of the window area provided visibility into the building is maintained.~~

(M~~O~~) Strand Lights. Strand lights or similar outdoor lighting within areas where people dine or otherwise publicly congregate that is intended as festive ornamentation to be used on a year- round basis.

17.88.070~~080~~ Prohibited Signs

The following signs are prohibited, except as otherwise expressly allowed pursuant to this Chapter:

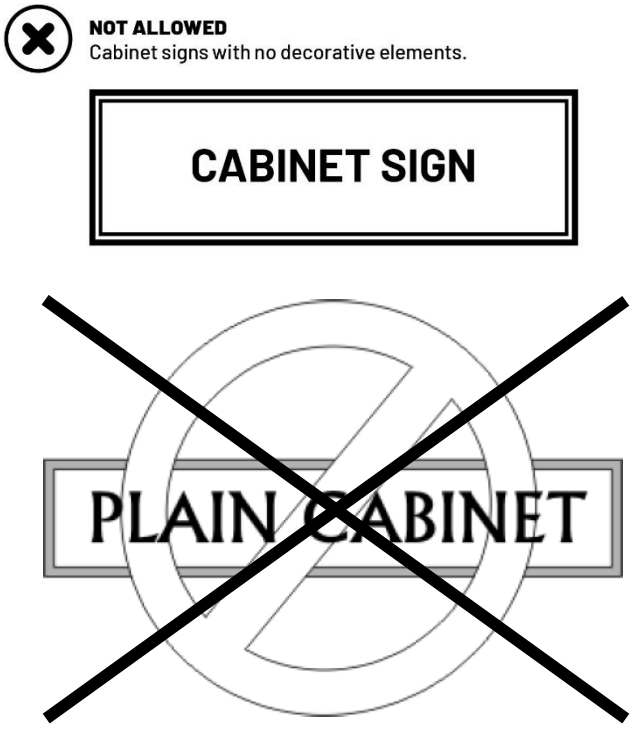
(A) Animated signs.

(B) Balloons or other inflatable, wind activated, or spinning devices that are typically available in retail stores, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

(C) Banner signs as permanent signage; however, temporary banners may be exempt as specified pursuant to PMC §17.88.060~~070~~.K~~L~~.6 (Temporary On-Site ~~Commercial~~ Signs) or allowed pursuant to PMC §17.88.100.A (Temporary Banners ~~Permit for Commercial and Industrial Properties~~).

(D) Cabinet signs with little or no decorative elements.

FIGURE 17.88.070~~080~~-1. PLAIN CABINET SIGN



(E) Paper and c~~C~~ardboard signs exposed to the outdoor elements.

(F) Electronic reader board signs, excluding government signs.

(G) Flags, except as expressly allowed pursuant to this Chapter.

(H) Flashing signs.

(I) Human signs.

(J) Off-site signs, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

~~(K) Paper signs exposed to the outdoor elements.~~

(K~~L~~) Pennants, strings of pennants, or streamers.

(L~~M~~) Portable or A-frame signs, except as allowed pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

(M~~N~~) Revolving signs, excluding barber shop poles.

(N~~O~~) Roof signs.

(O~~P~~) Signs that create a safety hazard by obstructing the clear view of pedestrian and vehicular traffic.

(P~~Q~~) Signs that display a message, graphic representation, or other image that is obscene as that term is defined in Section 311 of the Penal Code.

(Q~~R~~) Signs, which by their color, design, location, or illustration resemble, distract attention from, or conflict with any traffic control device.

(R~~S~~) Signs within the public right-of-way or upon public property (except where approved or required by a government agency and exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements)), including, but not limited to, any notice, placard, bill, card, poster, sticker, banner, sign, advertising, or other device affixed or attached to or upon any public street, walkway, crosswalk, or other right-of-way, curb, lamp post, hydrant, tree, telephone ~~booth or~~ pole, lighting system, or any fixture of the police or fire alarm system.

(S) Mobile Billboards. Any vehicle, trailer, or wheeled conveyance that carries, displays, or supports a sign and is positioned or used for the primary purpose of displaying signage visible from a public right-of-way is prohibited. This prohibition eliminates mobile billboard advertising within the City to reduce traffic congestion, promote the safe movement of vehicular traffic, to reduce air pollution, and improve the aesthetic appearance of the City. This prohibition does not apply to displays on vehicles

exempted pursuant to PMC §17.88.060 (Exemptions to Sign Permit Requirements), public safety and public transit/public carrier graphics on properly licensed buses, taxicabs, and similar vehicles for hire that legally pass through the City.

(T) Signs Mounted on Vehicles. No person shall park any vehicle on a public right-of-way or in a location on a private property that is visible from a public right-of-way, which has attached thereto or suspended therefrom any sign, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements). This Section shall not preclude the display of bumper stickers.

17.88.080~~090~~ General Development Standards

The following general provisions are applicable to all signs and sign structures regulated by this Chapter, excluding signs within sign programs or Specific Plans. These general provisions apply in addition to any specific standards in this Chapter.

(A) Sign Area. Unless otherwise specified in this Chapter, the maximum allowed sign area for signs shall be calculated based on the acreage and frontage of a property and/or the length of the building elevation upon which the sign is to be attached. Wall signs for multiple tenant buildings shall be based upon the lineal building frontage occupied by each tenant as specified by the zone.

(B) Locational Criteria. All signs shall be subject to all applicable standards for the zone in which the proposed sign is to be located, pursuant to PMC §17.88.090~~100~~ (Temporary Banner Permit for Commercial and Industrial Properties) through 17.88.100~~120~~ (Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones). Unless otherwise expressly provided in this Chapter, no sign shall be erected or used for business purposes of any kind, except such sign(s) as shall be located on the site of the place of business, enterprise, or calling which is reasonably related to the products or services available on or within those premises. Sign location shall not obstruct motorists' visibility by considering driveway placement, long-term growth of landscaping, and adjacent and/or future development. No signs may be located in or adjacent to the public right-of-way, or private drive aisle or driveway in such a manner that it obstructs the clear view of pedestrians and/or vehicular traffic or constructed so as to obstruct any window, door, fire escape, or other emergency exit of any building. In addition, the following additional location criteria shall be maintained:

1. Wall-mounted signs shall not project above the parapet, canopy, fascia, wall, or roofline to which they are attached.

2. Freestanding signs shall not block visibility of motorists in order to maintain traffic safety, or from outdoor seating areas to preserve views. Freestanding signs shall not be placed in such a manner that obstructs any portion of a traffic control device as regulated by the California Manual on Uniform Traffic Control Devices, as

viewed by a driver, pedestrian, or bicyclist, as is appropriate for the type of device. Freestanding signs shall be set back and spaced along street frontages as specified in this Chapter.

3. Except where approved or required by a government agency or as otherwise expressly allowed pursuant to this Chapter, no sign may be stuck, glued, painted, pasted, posted, nailed, stapled or otherwise affixed or attached to or upon any public street, walkway, cross walk or other right of way, curb, lamp post, transit bench or shelter, trash receptacle, fire hydrant, tree, telephone ~~booth or~~ pole, lighting system or any fixture of the police or fire alarm system, any existing sign, or upon any other public property.

(C) Setbacks. All freestanding signs shall be set back a minimum of one foot from the public right-of-way

(D) Orientation. On-site signs shall be oriented so as not to create confusion and shall be visible to pedestrians, motorists and/or other passersby from the front, side, or rear of the building to which it is intended~~; however, wall signs located within commercial or industrial zones shall not face directly onto residentially designated property~~.

(E) Methods of Attachment.

1. Wall signs shall be attached to the sides of structures with fasteners that are either concealed from clear view or treated to match the building.

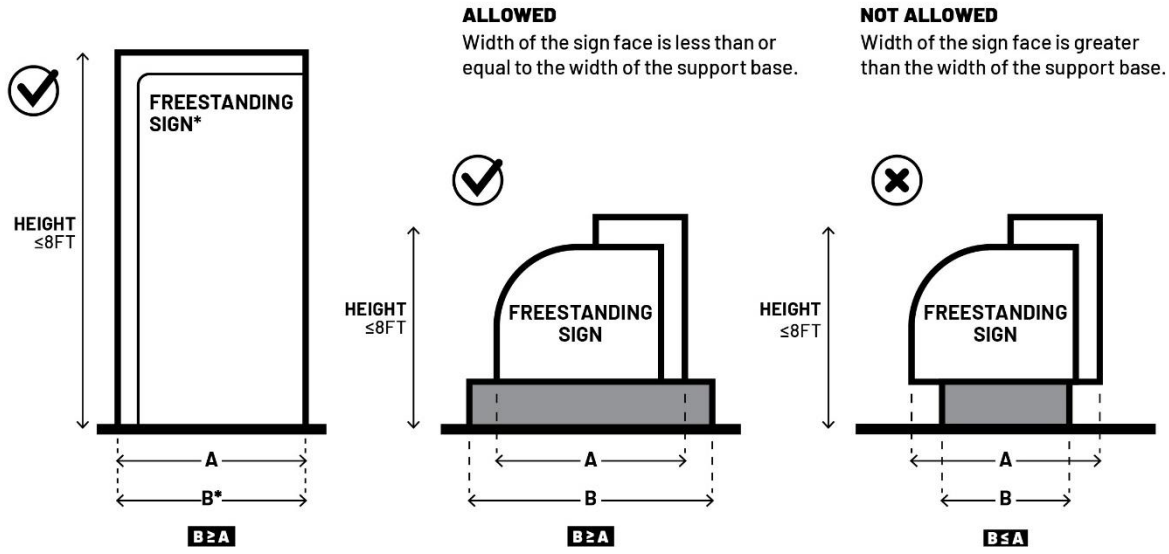
2. Projecting signs shall utilize decorative methods of attachment in instances where their visibility cannot reasonably be concealed.

3. Freestanding signs.

a. Freestanding signs eight feet or less in height shall be secured to the ground utilizing a solid support base that is a minimum width of the sign face and consisting of solid materials such as concrete, block, stone, or brick~~ rather than poles with veneer covers~~.

b. Unless specifically approved under a Sign Program, freestanding signs more than eight feet in height shall be secured to the ground using a support base whose width is at least 1/3 the width of the sign face. The support base may consist of multiple columns; however, the cumulative total width of the columns must equal at least 1/3 the width of the sign face.

FIGURE 17.88.080-1 METHOD OF ATTACHMENT-FREESTANDING SIGN 8 FEET OR LESS IN HEIGHT

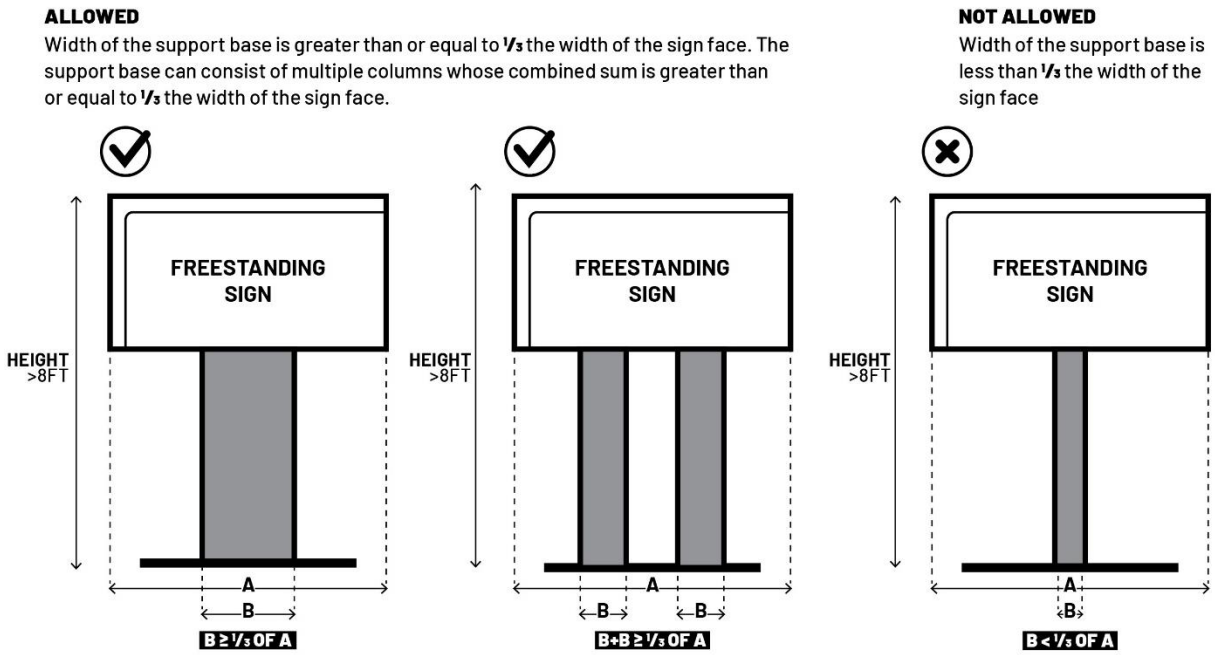


A = width of sign face

B = width of support base

**In this instance the width of the sign face and support base are equal because the support base is integrated into the sign face.*

FIGURE 17.88.080-2 METHOD OF ATTACHMENT-FREESTANDING SIGN MORE THAN 8 FEET IN HEIGHT



A = width of sign face **B = width of support base**

(F) Design. Signs and sign structures shall be professionally designed, pursuant to industry standards, and clearly understood for their intended purpose. Signs shall incorporate a classic style that will not quickly become outdated. On-site freestanding signs adjacent to the roadway shall be designed to include break-away features that are forgiving and crash-worthy. Signs shall not be designed to mimic traffic control devices, traffic warning devices, traffic regulating or directional way-finding signs. In addition, the following additional criteria of design shall be incorporated into new signs:

1. Wall signs

a. Wall signs shall consist of one of the following types of signs:

FIGURE 17.88.080~~090~~-3~~1~~ CHANNEL LETTER SIGN



FIGURE 17.88. 080-4~~090-2~~ CONTOUR SIGN



FIGURE 17.88. 080~~090~~-5~~3~~ CABINET SIGN



FIGURE 17.88. 080~~090~~-64 PRINTED SIGN



i. Individual raised letters or symbols (channel letter);

ii. Custom contour enclosure; ~~or~~

iii. Acrylic signs; or

iv. Professionally custom painted.

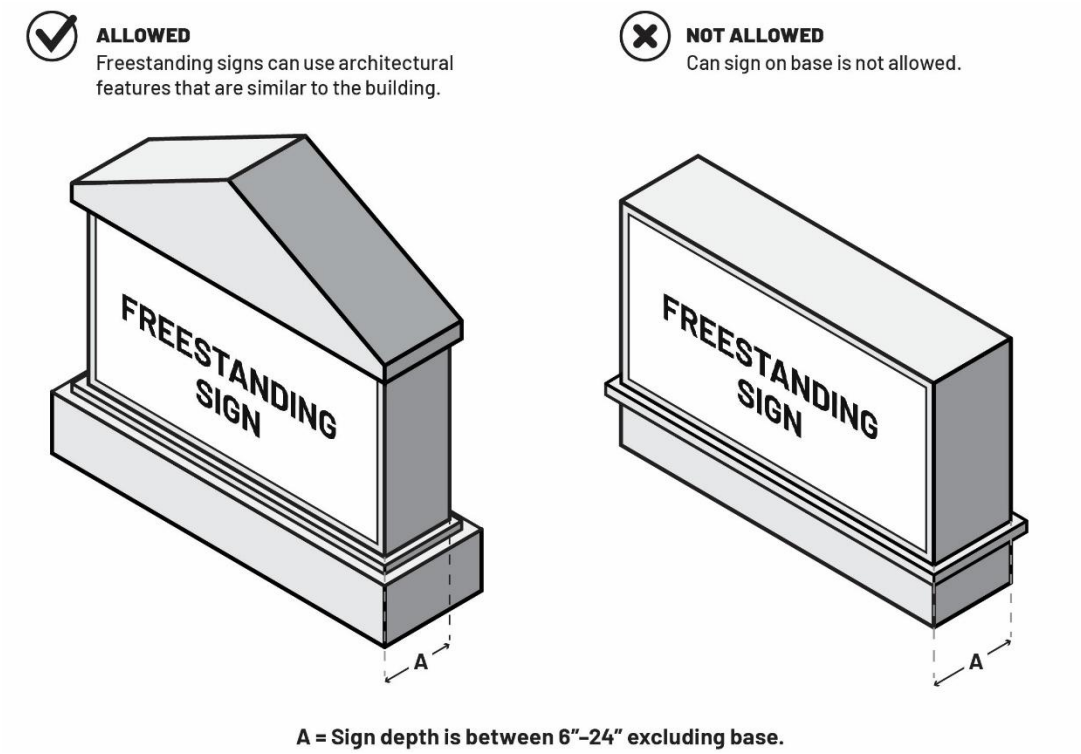
b. Signs attached to buildings shall project no less than one inch and no more than 18 inches from the structure.

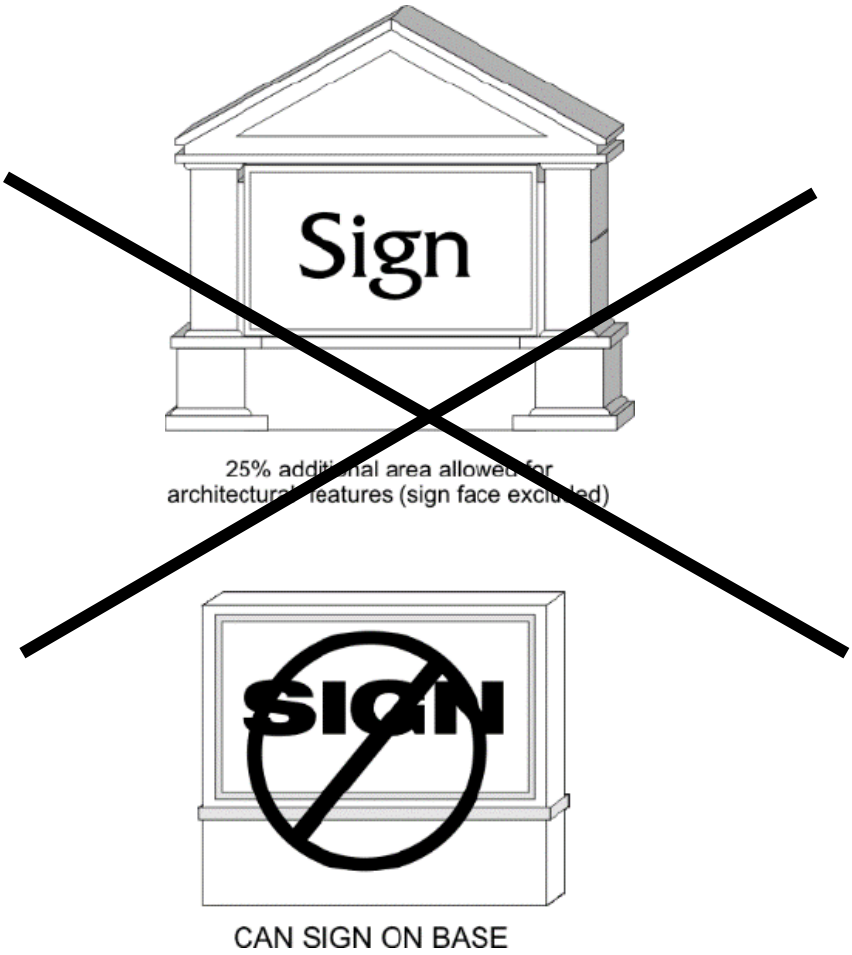
2. On-Site Freestanding Sign Structures

a. Signs shall be architecturally integrated into the overall development of the site with respect to color, material, and design~~, except that pole signs may utilize metal for the sign structure regardless of building materials on site~~.

b. Minor architectural features such as cornices, roof pitches and archways, which are similar to those of the building(s) shall be incorporated into the design of the sign structure. Such features may increase the allowable size of structures by 25 percent, exclusive of sign face and base. Freestanding can signs with no architectural features are not allowed.

FIGURE 17.88.080~~090~~-7~~5~~ ARCHITECTURALLY TREATED FREESTANDING SIGN





c. The shape or appearance of freestanding signs shall not depict inanimate objects, animals or human beings.

d. The depth of sign structures shall be a minimum of six (6) inches and a maximum of 24 inches, exclusive of the base. Sign structures exceeding 24 inches in depth may be considered provided the total sign area allowed for a double-faced sign is not exceeded and the sign structure meets all other criteria for approval.

e. Panel inserts for multi-tenant freestanding sign structures shall be uniform in color and typeface.

(G) Substitutions

1. Marquee signs may be substituted for wall or freestanding sign structures pursuant to the definition of a marquee sign pursuant to PMC §17.88.030 (Definitions).

2. Projecting signs may be used in place of wall signs provided they do not exceed one-half of the allowable wall sign area and the sign meets all other provisions in this Section.

3. Canopy/awning signs may be allowed in place of or in addition to wall signs as specified in Subsection (N~~O~~) of this Section (Canopy/Awning Signs).

(H) Construction. All signs and sign structures shall be professionally constructed pursuant to industry standards. All parts, portions, units, and materials, comprising all signs, together with the frame, background, supports, or anchorage for all sign structures, shall be manufactured, fabricated, assembled, constructed, and erected pursuant to all applicable Federal, State, County, and City laws and standards.

(I) Materials. Construction materials for all components of signs shall consist of durable, long- lasting materials that hold up to the extremes inherent in Palmdale's desert environment, including heat, cold and wind for long-term durability, as well as damage caused by nesting birds and other environmental constraints of the region. Individual foam letters shall be covered with a solid material to prevent damage by birds, sun, and harsh weather.

(J) Colors. Earth tones and subdued colors such as maroon, brown, tan, gray, peach, cream, or white shall be used for the sign face or sign structure. Primary colors such as red, green, blue, yellow, orange, purple, pink, and black may be used for letters, symbols, graphics, or minor accents; however, except in the case of temporary signs, such colors shall not be used for the sign face or sign structure. Day-glo colors may only be used as minor accents to the overall sign. Reflective paint is not allowed.

(K) Illumination. The City has a compelling interest in promoting traffic safety for pedestrians and motorists. To achieve this interest, it is necessary to minimize excessive lighting of signs that may distract pedestrians and motorists or produce hazardous light and glare into the eyes of motorists, and to do so by conditioning the type and intensity of the lighting and its appropriateness for the planned location and orientation of the sign. In addition, no sign shall be illuminated in such a way that mimics a traffic signal or traffic control device.

The method of illumination for all types of signs is an important design element. However, the intensity or glare of the illumination may cause a visual distraction, safety hazard or public nuisance. The Director shall determine any required measures necessary to reduce possible negative impacts on adjacent structures, roadways, or surrounding land uses. New light fixtures added to the exterior of an existing building for the purpose of sign illumination shall be subject to the specifications of PMC §17.86.030 (Outdoor Lighting). Any sign that requires approval of an electrical building permit shall utilize only approved electrical components that are properly listed and tested by an acceptable testing agency and approved by the City's Building Official. No illuminated sign or lighting device shall

be placed or directed so as to permit or cause glare or reflection which may constitute a traffic or safety hazard or interfere with the use and enjoyment of a public street, walkway, or adjacent properties by having a blinding effect on residents, motorists, or pedestrians, preventing safe illumination of sidewalks, streets, or drive aisles, or by negatively impacting illumination levels on adjacent properties.

(L) Flags. Flags shall consist of fabric or similar flexible material that is designed to hang from a pole and blow in the wind. Plastic or other materials that produce more noise than fabric are prohibited for use as flags. Such flags shall be replaced when ripped, tattered, and/or faded or other wear is evident as determined by the Director.

~~(M) Neon Signs. Neon signs as defined by this Chapter are allowed only in the commercial/office zones, subject to PMC §17.88.040(C) (Criteria for Approval) and Subsection (K) of this Section (Illumination).~~

(M~~N~~) Painted Signs. Painted signs may be allowed as permanent wall signs and shall be professionally painted only. Such signs may be externally illuminated with decorative light fixtures within commercial zones subject to Subsection (K) of this Section (Illumination). As allowed by the zone, signs may be painted directly on structures or on industrial grade particleboard (minimum, or equivalent) with radius edges. Only oil-based paints (or equivalent) shall be utilized for painted signs.

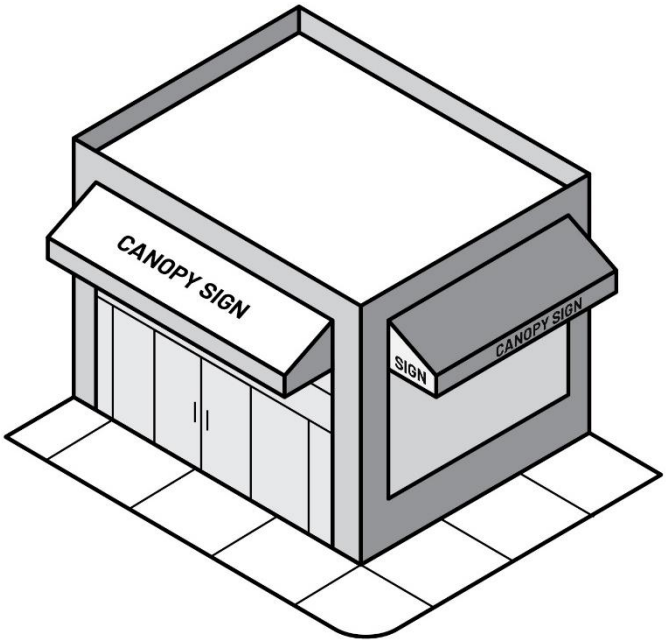
FIGURE 17.88.080~~090~~-8~~6~~. PAINTED SIGNS

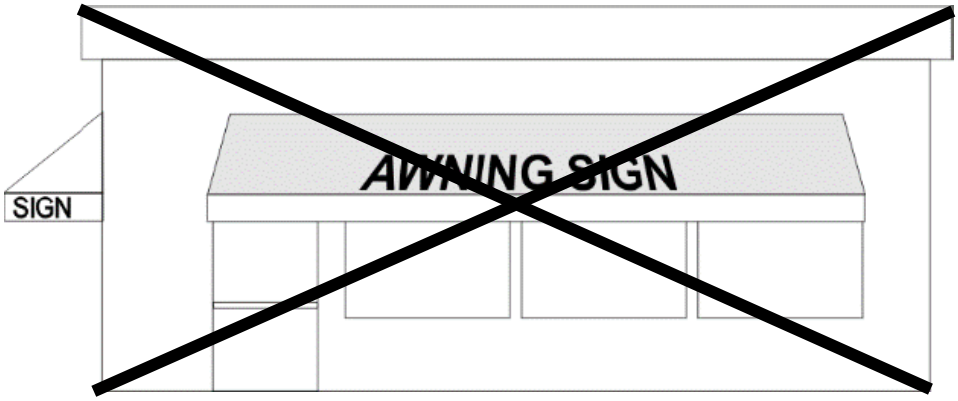




(N~~O~~) Canopy/Awning Signs. Canopy/Awning ~~and awning~~ signs are intended to be visible to pedestrians and/or from nearby parking areas and on-site circulation drives. Canopy/Awning signs are allowed within a shopping center where canopies or awnings are uniformly used within the shopping center or for a single tenant if the tenant is occupying an entire parcel and does not share space in a shopping center, as follows:

FIGURE 17.88.080~~090~~-9~~7~~. CANOPY/AWNING SIGN





1. The total combined area for wall and canopy/awning signs shall not exceed the allowable wall sign area allowed for the face of the building;

2. Canopy/Awning signs may be located on the front or side panels of angled, curved or box canopies or awnings or on the bottom flap (valance) of the canopy or awning;

3. Canopy/Awning signs shall not consist of more than a single line of copy or symbols; and,

4. The size of the sign shall not exceed 75 percent of any one dimension of the canopy or awning.

(O~~P~~) Maintenance. The following maintenance standards shall apply to all signs:

1. Every sign and all parts, portions, units, and materials comprising the same, together with the frame, background, supports, or anchorage thereof, shall be continuously maintained in a safe, structurally sound, neatly painted, graffiti-free, and well-repaired condition; and,

2. Signs illuminated either internally or externally shall be capable of being fully illuminated and legible and the face(s) shall be intact without holes or other exterior facial damage. Illuminated signs that are damaged or have defective lighting elements shall remain unlighted until repaired.

~~**17.88.100 Temporary Banner Permit for Commercial and Industrial Properties**~~

~~The following provisions are applicable to all banners regulated pursuant to this Section. The provisions are intended to permit the greatest flexibility possible in terms of business signage, while maintaining an orderly and attractive business environment within the City's commercial and industrial areas.~~

~~(A) Permit Process and Fees for Temporary Banners~~

1. The applicant shall be responsible for obtaining all required building permits from the Building and Safety Division associated with the installation of the banner.

2. A Temporary Banner Permit shall be obtained for the use of banners at a business location. In evaluating permit applications, staff will review zoning, location, size, method of attachment, and conformance with this Section and any other applicable standards.

3. The Temporary Banner Permit application shall include the applicant's authorized leasing agent name, signature, and telephone number.

4. Applicants shall pay an annual Temporary Banner Permit fee and annual inspection fees as established by the fee resolution approved by the City.

(B) Zones. Banners will be allowed in all commercial/office and industrial zones and commercial/office and industrial designated properties within Specific Plan areas.

1. Use. Banners may be used for all general business purposes, provided that banners may not be utilized as the sole source of business identification. In order to ensure that banners are not used for primary business identification, any business applying for a banner permit shall have permanent signage on the building that has been legally established.

(C) Noncommercial banners shall be allowed pursuant to this Section to the same extent commercial banners are allowed.

(D) Design Standards. The banner shall be constructed of high quality, durable material capable of withstanding the severe local weather conditions. The banner shall be professionally designed and manufactured. No handwriting on blank banners or erasable banner material and design shall be allowed.

(E) Types of Banners

1. Wall-Mounted. Standards for wall-mounted banners are provided within PMC Section 17.88.120 (Signs in Non-Residential and Mixed-Use Zones).

2. Ground-Mounted Banners. Standards for ground-mounted banners are provided within PMC Section 17.88.120 (Signs in Non-Residential and Mixed-Use Zones).

(F) Any banner legally established pursuant to this Section shall be maintained by the applicant. When wear and tear is observed by any employee of the City and upon notification to the applicant, required work to restore or replace the worn banner shall be performed to the satisfaction of the Director within 14 days. Failure to comply with this provision may result in revocation of the permit for the temporary banner.

~~(G) The Director shall give written notice to the applicant regarding any violations of the provisions of this Section. Within 14 days of receipt of the notice, the violation shall be corrected or remedied to the satisfaction of the Director. Failure to pay fees, or noncompliance with the standards, procedures, and conditions set forth in this Section shall be cause for revocation of the temporary banner permit and removal of the banner. Materially inaccurate or erroneous information submitted as a part of a Temporary Banner Permit application may be cause for revocation of the permit.~~

17.88.090~~110~~ Signs in Residential Zones

In addition to temporary signs identified in PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements), the following signs are allowed in residential zones subject to approval of a sign permit:

Table 17.88.090~~110~~-1. Allowed Signs in Residential Zones

Sign Type	Maximum Number	Maximum Sign Area	Maximum Height Including Base	Remarks
Wall	No limit: combined area of signs shall not exceed the maximum allowed sign area	1 ½ sf of sign area per lineal foot of building frontage	N/A	Signs may be internally illuminated only, subject to PMC §17.88.080~~090~~.K (Illumination).
~~Monument~~ Freestanding	1 per public entrance, up to 2 signs total	30 sf	5 ft	Signs may be internally illuminated only, subject to PMC §17.88.080~~090~~.K (Illumination).
~~Directional~~	~~1 per public entrance, up to 4 signs total~~	~~16 sf~~	~~5 ft~~	~~Signs shall not be illuminated.~~
Temporary ~~freestanding banner (teardrop, feather, bowhead, etc.)~~	1 freestanding sign per frontage; 2 per model home	60 sf per single face for freestanding signs and 15 sf for flags	10 ft for free-standing signs and 15 ft for flags	Signs shall not be illuminated. Flags shall not be within 50 ft of an occupied residence.

17.88.100~~120~~ Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones.

In addition to temporary signs identified in PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements), the following signs may be allowed in ~~commercial, industrial, mixed-use or public facility~~ zones other than Residential Zones (i.e., Mixed-Use, Commercial/Office, Industrial, and Special Purpose Zones (see Table 17.14.010-1. List of Zones)), subject to approval of a sign permit:

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
Wall signs, secondary skyline signs or canopy/awning signs	No limit: combined area of signs shall not exceed the maximum allowed sign area	1 ½ sf of sign area per lineal foot of building frontage	N/A	Secondary skyline signs are subject to PMC §17.88.120~~140~~ (Skyline Signs); externally lighted signs are subject to PMC §17.88.080~~090~~.K (Illumination); canopy/awning signs are subject to PMC §17.88.080~~090~~.N~~O~~ (Canopy/Awning Signs).
Skyline signs[2]	1 per allowable elevation; up to 2 signs total on opposite sides of the building	1 sf of sign area per lineal foot of building frontage	N/A	Skyline signs subject to PMC §17.88.120~~140~~ (Skyline Signs) are in addition to secondary skyline signs. Shall be compatible with the building surface and shall complement the aesthetics of the development. Shall consist of a single line of copy/symbol unless approved by the Director due to building architecture prohibiting placement of a single line of copy. May be halo sign or internally illuminated.
~~Monument~~ Freestanding signs	1 sign for every 250 feet of street frontage	For industrial zones:		
		< 10 acres: 30 sf	5 ft	
		> 10 acres: 50 sf	8 ft	
		For nonindustrial zones		
		< 10 acres: 50 sf	8 ft	
		> 10 acres: 100 sf	12 ft	

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
	1 sign per development (in addition to the freestanding sign allowance above)	100 sf	30 ft maximum Sign copy shall be located between 10 and 30 feet above the ground.	Only allowed within property designated as Regional Commercial: Minimum 10-foot clearance above walkways and drive aisles. Signs may be internally illuminated only, subject to PMC §17.88.080.K (Illumination). Shall maintain a minimum distance separation of 50 ft from residentially designated property or existing residential development.
Under-canopy signs	1 per tenant	5 sf	N/A	Minimum 8-foot clearance above walkways.
Temporary Wall-mounted ~~banner~~[3]	1 per frontage except facing residential uses	1 sf of area per lineal foot of frontage	N/A	Shall be mounted flat against the wall using permanent anchors. Banners shall not be mounted using wire, rope, cables, bungee cords or similar devices.

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
Temporary Freestanding ~~banner (teardrop, feather, bowhead, etc.)~~	1 per business	42 sf	12 ft	Minimum clearance of 5 ft from edge of right-of-way~~, except when located within the Mixed-Use zones to PMC §17.88.070.L (Temporary Signs)~~. Shall not impede pedestrian or handicap access. Shall not obstruct clear view of pedestrians and/or vehicular traffic. No off-site banners are allowed. Signs shall not be illuminated.
~~Pole signs4~~	~~1 per development~~	~~100 sf~~	~~10-ft minimum clearance height and 30-ft maximum~~	~~Signs may be internally illuminated only, subject to PMC Section17.88.090.K (Illumination). Shall maintain a minimum distance separation of 50 ft from residentially designated property or existing residential development.~~

Notes:

1. Grade changes by mounding within landscape areas less than 3:1 slope shall be counted in calculation of sign height; maximum height includes the base.

2. This applies to buildings with three or more stories, pursuant to PMC §17.88.120~~140~~ (Skyline Signs).

3. Not allowed within 50 feet of an occupied residence.

~~4. Only allowed within the Regional Commercial zone.~~

17.88.110~~130~~ Government Signs

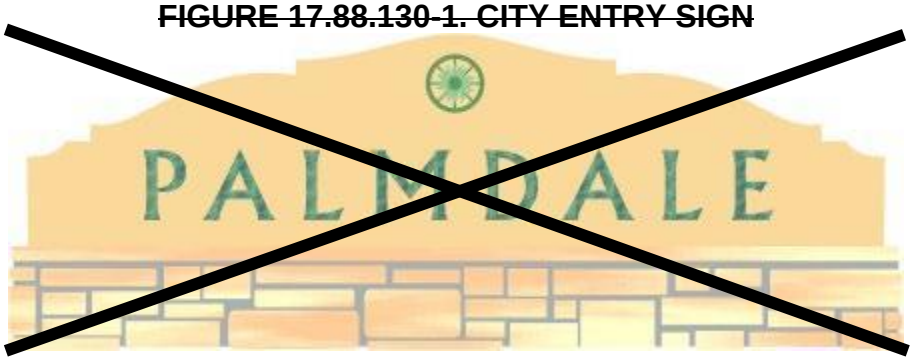
The City has a compelling interest in making the City attractive to residents, visitors, and business owners and in protecting and improving economic vitality, protecting, and enhancing aesthetic character, and promoting traffic safety in, through, and around areas that have a concentration of public facilities and structures. To accomplish these interests, the City finds it necessary to establish certain classes of government signs, to limit their content and to provide a public convenience by directing motorists and pedestrians to various locations throughout the City.

This Government Sign Section consists of signs that are uniform in design, which provide the community with a sense of place and a distinct identity. Signs constructed as a part of this Section shall be allowed without the requirement of a sign permit in all zones, except that electronic reader boards and digital advertising displays are not allowed in residential zones. Government signs shall be erected by the City, a public agency, or by any person authorized by the City ~~resolution~~ to erect such signage. This Section shall be applicable to the following types of signs:

(A) Civic Center Plaza. Roadway signs may be installed on streets leading to the Civic Center and surrounding public parking areas.

(B) City Entry Signs. Freeway and roadway monument signs may be installed on major thoroughfares near City limits in varying size. ~~Such signs shall be constructed of integral concrete monolith and stone base with lettering to be cast into the concrete with color infill.~~

~~FIGURE 17.88.130-1. CITY ENTRY SIGN~~



(C) City Roadway/Street Signage. Street name signs may be installed on streets throughout the City.

(D) Light Pole Banners. Banners may be placed on light poles along major thoroughfares and/or surrounding the Civic Center during various seasons of the year or for City-sponsored events.

(E) City Kiosk Signs. City kiosk signs are permissible in all zones except ~~those that are r~~Residential Zones. City kiosk signs are subject to the development standards for ~~monument and on-site~~ freestanding sign structures contained in PMC §17.88.100~~120~~ (Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones).

(F) Digital Advertising Display (DAD). Government signs that are considered DADs are not required to be installed pursuant to a Billboard Relocation Agreement and are permissible in all zones except residential. Government signage DADs are subject to the following standards:

1. Sign Area. The maximum sign area of a single-face DAD is 675 square feet and 1,350 square feet for a double-face DAD.

2. Sign Height. The maximum sign height is 40 feet; however, a DAD located immediately adjacent to State Route 14 may be modified if it can be demonstrated that compliance with the 40 foot height limit would impair visibility for a portion of the sign face. Increased height shall only be allowed to the extent necessary to allow reasonable view of the sign face.

3. A DAD may only display a series of still images, each of which is displayed for a minimum of six seconds and transitions between images shall not exceed one second. No DAD shall depict or simulate any motion or video, or have flashing, chasing, or twinkling lights.

4. Each DAD shall include a photometric sensor that will adjust the intensity of the sign for daytime and nighttime viewing. The intensity from sunset to sunrise shall be limited to 150 nits. The City may modify or further restrict the intensity of any DAD should the lighting create a distraction to drivers or an adverse effect on nearby residential properties.

5. In addition to complying with the other standards set forth in this Section, any DAD located within 660 feet of a state highway shall also comply with the standards of the California Outdoor Advertising Act (Chapter 2 of Division 3 of the California Business and Professions Code beginning at Section 5400), including, but not limited to, the restrictions on size, height, proximity to interstate and primary highways and landscaped freeways. To the extent any conflict arises between this Section and the Outdoor Advertising Act, the Outdoor Advertising Act shall prevail.

(G) Electronic Reader Boards. Government signs that are considered electronic reader boards are permissible in all zones except residential ~~and are subject to the development standards for monument and on-site freestanding sign structures contained in PMC §17.88.120 (Signs in Non-Residential and Mixed-Use Zones)~~.

(H~~1~~) General Standards for Government Signs

1~~a~~. For purposes of this Section, “street intersection” shall mean where two or more streets or roads cross at the same grade. This shall include all streets and roads with a right-of-way of 100 feet or larger.

2~~b~~. Signs may be constructed on improved or unimproved property along Regional and Crosstown streets provided they are located on private property with the owner’s written permission or within the public right-of-way with approval of an encroachment permit. Regional and Crosstown streets shall consist of those designated on the General Plan Circulation Map.

3~~c~~. Signs shall not obstruct the use of sidewalks, walkways, bike, and hiking trails and shall not obstruct the visibility to motorists and pedestrians of traffic control signs.

4~~d~~. Signs shall be limited to no more than three structures on the same side of the street between major intersections and shall not be located within 100 feet of another freestanding sign structure.

5~~e~~. Sign structure installations shall include “breakaway” design features.

6~~f~~. No signs, pennants, flags or other devices for visual attention or other appurtenances shall be placed on government signs.

7~~g~~. The design of all government signs shall be consistent throughout the City.

8~~h~~. Sign lettering used for identification panels shall be uniform in style and size.

17.88.120~~140~~ Skyline Signs

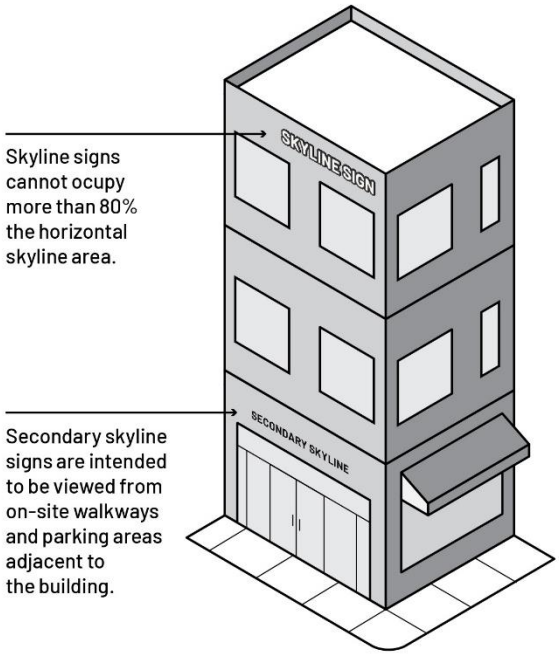
Skyline signs shall consist of wall signs that are placed on structures of three stories or more. Signs on tall buildings can have a significant visual influence upon the community’s environment; therefore, they should be consistent with the architectural style of the building. The approval of skyline signs shall be subject to PMC §17.88.040 (Sign Permit Requirements and Procedures) and to the following standards:

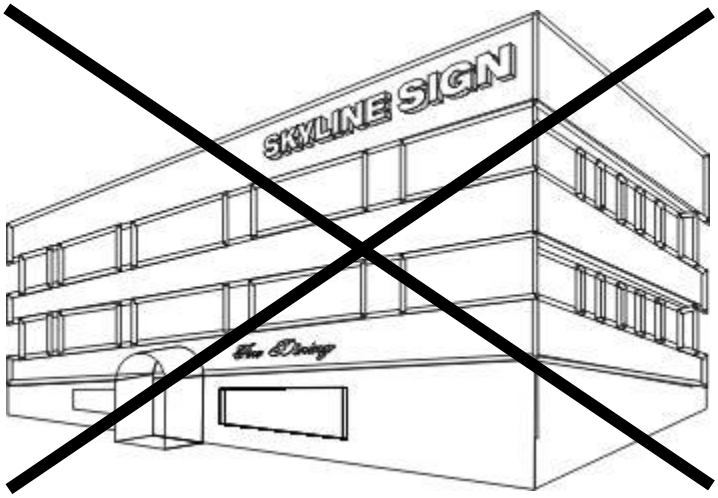
(A) Skyline Signs

1. Placement. Skyline signs shall be placed above the vision glass windows of the highest floor of the building and below the eave line pursuant to the provisions for signs within the zone. In conventional high-rise design, a sizeable area is generally available for signs above the vision glass of the highest floor. Skyline signs shall not be located on any building elevation in vertical (stacked) alignment and shall be separated by a horizontal dimension of not less than 40 percent of the linear

dimension of the subject elevation. For buildings with articulated roofs, a more flexible definition is appropriate. In such cases, signs are to be integrated visually with architectural features such as windows, projections, and articulating elements.

FIGURE 17.88.120~~140~~-1. SKYLINE SIGN PLACEMENT AND PROPORTION





2. Proportion of Sign Area. To avoid the appearance of crowding a sign into a sign area, sign copy shall occupy no more than 80 percent of the horizontal skyline sign area as defined by this Section. Additionally, no part of a sign can be located within the extreme left or right 10 percent of the building elevation.

(B) Secondary Skyline Signs

1. Placement. Secondary skyline signs shall be allowed below the second floor, except that, if the building has a two-story lobby, secondary skyline tenant signs are allowed between the second and third floors above such lobby. An individual tenant may have no more than one sign per building elevation. Secondary skyline signs shall not be located on any building elevation in vertical (stacked) alignment and shall be separated by a horizontal dimension of not less than 15 percent of the linear dimension of the subject elevation.

2. Locational Criteria. Secondary skyline signs are intended to be viewed from on-site walkways and parking areas adjacent to the building.

(C) Retail, Service Business, and Restaurant Uses Located within Structures of Three or More Stories. In addition to secondary skyline signs described in Subsection (B) of this Section (Secondary Skyline Signs), retail uses, service business uses, or restaurants located within an office building containing three or more stories may be allowed signs as specified in this Chapter and may appear on the same building elevation as and be included in the same total sign area calculation and placement as secondary skyline signs. Such signs shall be located at or adjacent to the entrance of the building and individual tenants shall be allowed no more than one sign per elevation.

17.88.130~~150~~ Outdoor Advertising Sign Structures (Billboards)

(A) Permits and Review Process

1. Permits Required

a. No outdoor advertising sign structure shall be constructed, relocated, or upgraded at any location in the City without obtaining a Conditional Use Permit subject to the provisions of this Section, and any other permits required by law.

b. Other Permits. Nothing in this Chapter shall exempt the applicant from obtaining any other required approval including, but not limited to, any permits required by the State of California.

2. Review Process. A Conditional Use Permit shall be required, pursuant to the provisions of this Chapter and PMC Chapter 17.22 (Conditional Use Permits) for any construction, upgrade, or relocation of outdoor advertising sign structures. The Planning Commission shall approve the Conditional Use Permit if the Commission finds that such application satisfies the standards set forth in Subsection (A)(3) of this Section (Findings for Approval), or the Planning Commission shall deny the application, in which case the applicant shall be notified in writing of the reason(s)

why the application was denied. All decisions of the Planning Commission may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

3. Findings for Approval. No Conditional Use Permit for an outdoor advertising sign structure shall be issued unless the Planning Commission finds that the application satisfies, or with conditions can satisfy, all of the following standards:

a. The proposed sign meets all of the findings for approval of a Conditional Use Permit as set forth in PMC §17.22.050 (Approval Requirements and Conditions);

b. The proposed sign meets the locational criteria for outdoor advertising sign structures, pursuant to Subsection (B) of this Section (Locational Criteria);

c. The proposed outdoor advertising sign structure meets all of the development standards as specified in Subsection (C) (Development Standards) or Subsection (E) (Outdoor Advertising Sign Structures Subject to a Billboard Relocation Agreement) of this Section;

d. The outdoor advertising sign structure is oriented to attract the attention/patronage of the general public, taking into consideration long-term growth of landscaping and future projects; and,

e. The outdoor advertising sign structure is in compliance with all applicable Federal, State, and City laws and regulations pertaining to the construction of outdoor advertising sign structures.

(B) Locational Criteria. Outdoor advertising sign structures shall be limited to placement on improved properties with habitable structures only, subject to the following restrictions:

1. No outdoor advertising sign structure shall be located within the area bounded by 20th Street West to the west, Avenue N to the north, Sierra Highway to the east and Palmdale Boulevard to the south.

2. There shall be no more than four outdoor advertising sign structures, including existing outdoor advertising sign structures, located within the area bounded by the extension of Avenue N-12 to the north, Rancho Vista Boulevard to the south, Sierra Highway to the west and an imaginary line 100 feet of the easterly Southern Pacific property line to the east.

3. No additional outdoor advertising sign structures shall be constructed, relocated, or upgraded except when located in the industrial zones.

4. No additional outdoor advertising sign structures shall be constructed on properties within 660 feet of Palmdale Boulevard.

5. The outdoor advertising sign structure shall be no closer than a radius of 500 feet to any premises designated or zoned for residential purposes, or to any premises containing a school, religious institution, or similar place of worship, historical site or building, cemetery, or similar place of interment, public or private park or outdoor recreational facility.

6. The outdoor advertising sign structure shall be no closer than a radius of 1,500 feet to a previously constructed off-premise outdoor advertising sign structure.

7. An outdoor advertising structure may be approved in a location other than specifically identified or excluded in Subsections (B)(1) through (B)(5) of this Section, including within an adopted Specific Plan area, when a Conditional Use Permit is approved in conjunction with a billboard relocation agreement pursuant to Subsection (D) of this Section (Billboard Relocation Agreement), but in no event shall be located within a residential zone.

(C) Development Standards. All outdoor advertising sign structures shall comply with the following standards:

1. Sign Area. The total area of a single sign face shall not exceed 300 square feet. The total area of a double-faced sign shall not exceed 600 square feet. Not more than five percent of the area of a sign face shall be used for projections.

2. Height. The outdoor advertising sign structure shall not exceed 32 feet in height measured from the ground level.

3. Setbacks. The sign shall comply with all setback standards of the underlying zone. It shall be located no closer than 10 feet to any property line. No materials or structural feature, except poles or pilasters, shall extend into the cross-visibility area between ground level and seven feet above the grade of the nearest street curb. No portion of the sign shall block the view of any on-site advertising sign on the same or adjoining parcels.

4. Construction. The outdoor advertising sign structure shall be built to withstand a minimum wind pressure of 21 pounds per square foot of exposed surface.

5. Design. The outdoor advertising sign structure shall not be supported by more than one supporting post. It shall be architecturally treated so as to screen the frame, support structures and lighting from public view. The outdoor advertising sign structure shall not contain any flashing or blinking material, or mechanically activated

or animated devices. The color and materials shall be subject to the provisions of this Chapter.

6. Sign Copy Area. The message or sign copy area of any relocated or upgraded outdoor advertising sign structure may be no larger than the message copy area of the original outdoor advertising sign structure.

7. Utility Lines. Utility lines providing electrical power to a new or relocated outdoor advertising sign structure shall be placed underground.

8. Maintenance. The sign and structure shall be continuously maintained in an attractive, clean, and safe condition pursuant to PMC §17.88.080~~090~~.O~~P~~ (Maintenance).

9. Traffic Safety. The sign shall not constitute a traffic hazard because of sign shape or its location in relationship to an official public traffic sign or signal.

(D) Billboard Relocation Agreement

1. Purpose. The purpose of the Billboard Relocation Agreement is to reduce the overall number of outdoor advertising sign structures within the City by allowing relocation of billboards in more suitable locations and provide more attractive, aesthetically-pleasing billboard designs and to improve the aesthetic appearance of the City.

2. Authority. Notwithstanding any other provision of this Chapter, and consistent with the California Business and Professions Code Outdoor Advertising provisions, existing outdoor advertising sign structures may be relocated and/or upgraded as part of a Billboard Relocation Agreement entered into between the City Council and a billboard owner and the approval of a Conditional Use Permit for any relocated billboard.

3. Content. Each Billboard Relocation Agreement shall contain, at a minimum, the following information:

a. Identification of the location of the billboards being permanently removed and the location of the relocated billboards; and

b. Conceptual design drawings for the relocated billboards.

4. Review Process and Findings. All Billboard Relocation Agreements shall be reviewed and approved by the City Council. The following findings shall be made by the City Council in order to approve a Billboard Reduction and Relocation Agreement:

a. The proposed agreement is consistent with the goals, objectives, purposes and provisions of the Palmdale General Plan, this Title, and any applicable Specific Plan;

b. The proposed relocation site is compatible with the uses and structures on the site and in the surrounding area;

c. The proposed Billboard Relocation Agreement provides for a net reduction in existing outdoor advertising sign structures within the City;

d. The proposed Billboard Relocation Agreement contributes to the reduction of visual clutter in the City;

e. The proposed billboard would not create a traffic or safety problem with regard to onsite access circulation or visibility;

f. The proposed billboard would not interfere with onsite parking or landscaping required by City ordinance or permit; and,

g. The proposed billboard would not otherwise result in a threat to the general health, safety, and welfare of City residents.

5. Conditional Use Permit. Subsequent to the approval of a Billboard Relocation Agreement by the City Council, the billboard owner shall file a Conditional Use Permit application to relocate or upgrade the outdoor advertising sign structure as authorized by the Billboard Relocation Agreement.

(E) Outdoor Advertising Sign Structures Subject to a Billboard Relocation Agreement. An outdoor advertising sign structure may be upgraded or relocated through the approval of a Conditional Use Permit and a corresponding Relocation Agreement. A relocated or upgraded billboard shall meet the development standards contained within Subsection (C) of this Section (Development Standards). A DAD is permissible in conjunction with the relocation/upgrade of an outdoor advertising sign structure approved pursuant to a Billboard Relocation Agreement, subject to the following standards:

1. Sign Area. A DAD shall be subject to the sign area standards specified in Subsection (C)(1) of this Section (Sign Area); however, given the unique characteristics of DAD’s, an applicant may request a modification to the maximum sign area pursuant to the following conditions:

a. The applicant demonstrates, to the satisfaction of the Planning Commission, that the larger size is necessary to provide a readable DAD in a cost-effective manner; and,

b. The maximum sign area of a single-face DAD is 675 square feet and 1,350 square feet for a double-face DAD.

2. Sign Height. A DAD shall be subject to the sign area standards specified in Subsection (C)(2) of this Section (Height); however, a DAD relocated immediately adjacent to State Route 14 may be modified if the applicant can demonstrate that compliance with the 32-foot height limit would impair visibility for a portion of the sign face. Increased height shall only be allowed to the extent necessary to allow reasonable view of the sign face.

3. A DAD may only display a series of still images, each of which is displayed for a minimum of six seconds and transitions between images shall not exceed one second. No DAD shall depict or simulate any motion or video, have flashing, chasing, or twinkling lights.

4. Each DAD shall include a photometric sensor that will adjust the intensity of the sign for daytime and nighttime viewing. The intensity from sunset to sunrise shall be limited to 150 nits. The City may modify or further restrict the intensity of any DAD should the lighting create a distraction to drivers or an adverse effect on nearby residential properties.

5. In addition to complying with the other standards set forth in this Section and any other applicable provisions of this Section, any relocated billboard within 660 feet of a State highway shall also comply with the standards of the California Outdoor Advertising Act (Chapter 2 of Division 3 of the California Business and Professions Code beginning at Section 5400), including, but not limited to, the restrictions on size, height, proximity to interstate and primary highways and landscaped freeways. To the extent any conflict arises between this Section and the Outdoor Advertising Act, the Outdoor Advertising Act will prevail.

17.88.140~~160~~ Amortization and Abatement of On and Off-Premise Signs, Sign Programs, and Outdoor Advertising Sign Structures

(A) On-Premise Signs

1. Inventory of Signs. Within 120 days of the date of adoption of the ordinance codified in this Title the Director shall cause to be performed an inventory of all on-premise signs within the City to identify those that are illegal or abandoned. For the purposes of this Section, the term “illegal” denotes a sign which was erected without compliance with all ordinances and standards in effect at the time of its construction and erection or use, and the term “abandoned” denotes a sign which remains in place or is not maintained for a period of 90 days which no longer advertises or identifies an ongoing business, product, or service available on the business premises where the sign is located.

2. Public Hearing. Upon completion of the required identification and inventory of signs described in Subsection (A)(1) of this Section (Inventory of Signs), the City Council shall consider at a public hearing, with opportunity for public comment, whether there is a continuing need for the provisions of the ordinance that caused the signs to become illegal or abandoned.

3. Abatement. No later than 60 days after the public hearing described in Subsection (A)(2) of this Section (Public Hearing), the City shall commence abatement as provided in this Subsection of the illegal and abandoned on-premises signs identified by the inventory required by Subsection (A)(1) of this Section (Inventory of Signs).

4. Nonconforming Signs Which May Be Abated Without Payment of Compensation. Any sign which does not comply with the standards of this Chapter and which may be abated without the payment of compensation pursuant to Section 5497 or 5498 of the Business and Professions Code shall be brought into compliance with the standards and requirements of this Chapter as soon as may reasonably be accomplished and in no event later than six months after the date of adoption of the ordinance codified in this Title, unless such period is extended by the Planning Commission for good cause shown. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

5. Other Nonconforming Signs. Any sign which does not conform to the standards and requirements of this Chapter and which may be abated after the expiration of 15 years pursuant to Section 5495 of the Business and Professions Code shall be brought into compliance with the standards and requirements of this Chapter within 15 years of the date of adoption of this Chapter. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

6. Continuation of Existing Nonconforming Signs. Pursuant to PMC §17.11.080 (Continuation of Existing Nonconforming Uses), a sign that lawfully existed as a nonconforming sign prior to the effective date of the ordinance codified in this Chapter pursuant to Ordinance No. 684 and/or Ordinance No. U-1060 shall be deemed to be continued pursuant to this Title, and in determination of the termination date established by this Title, shall be computed from the original date it became nonconforming pursuant to said Ordinance No. 684 and/or Ordinance No. U-1060. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

7. Signs with Flashing and Rotating Features. Any sign which contains flashing or rotating features and which is not in compliance with the provisions of this Chapter shall be brought into compliance with the provisions of this Chapter as soon as may reasonably be accomplished and in no event later than six months after the date of

adoption of the ordinance codified in this Title unless such period is extended by the Planning Commission for good cause shown. If such sign is not brought into conformance with the standards and requirements of this Chapter within that time, the flashing or rotating features of the sign shall be deactivated immediately. However, the owner or operator of such sign may be authorized to continue its operation notwithstanding this Section if the Planning Commission determines the sign to be of historical significance.

(B) Off-Site Commercial Signs. All off-site commercial signs that do not comply with the standards and requirements of this Chapter shall be brought into compliance with the standards and requirements of this Chapter as soon as may reasonably be accomplished and in no event later than one year after the date of adoption of the ordinance codified in this Title, unless such period is extended by the Planning Commission for good cause shown. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

~~(C) Sign Programs. Sign programs approved prior to the effective date of the ordinance codified in this Title shall be automatically subject to the General Development Standards contained in PMC §17.88.090 (General Development Standards). New sign permits requested pursuant to these programs may not exceed the maximum sign area or maximum sign height specified under PMC §17.88.100 (Temporary Banner Permit for Commercial and Industrial Properties) through PMC §17.88.120 (Signs in Non-Residential and Mixed-Use Zones).~~

(C~~D~~) Outdoor Advertising Sign Structures. Any outdoor advertising sign structure which lawfully existed in a residential zone at the time of the adoption of this Chapter or was lawfully constructed pursuant to a permit issued by Los Angeles County and was later annexed to the City, but which is not in conformance with the standards and requirements of this Chapter, and is located within residential zoned property, shall be deemed a legal nonconforming use which shall be maintained, and may be upgraded subject to the restrictions and limitations imposed on nonconforming signs by this Chapter. Such signs shall be removed pursuant to the following amortization schedule.

Table 17.88.140~~160~~-1 Amortization Schedule	
Fair Market Value of Off-Premises Commercial Advertising Signs*	**Years Allowed Before Removal**
Under $1,999	2
$2,000 to $3,999	3
$4,000 to $5,999	4
$6,000 to $7,999	5
$8,000 to $9,999	6
$10,000 and over	7

Notes:

* Fair Market Value of outdoor advertising sign structures on the date of removal requirement.

(D~~E~~) Continuation of Existing Nonconforming Signs. Pursuant to PMC §17.11.080 (Continuation of Existing Nonconforming Uses), nonconforming outdoor advertising sign structures that lawfully existed prior to the effective date of this Chapter ~~pursuant to Ordinance No. 684 and/or Ordinance No. U-1060~~ shall be deemed to be continued pursuant to this Title, and in determination of the termination date established by this Title, shall be computed from the original date it became nonconforming pursuant to said Ordinance ~~No. 684 and/or Ordinance No. U-1060~~. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

17.88.150~~170~~ Variance and Minor Exceptions

Applicants may apply for a Variance or Minor Exception to the provisions of this Chapter pursuant to PMC Chapter 17.23 (Variances and Minor Exceptions), and shall have the burden of proving that the requested Variance or Minor Exception is in conformance with the required findings.

17.88.160~~180~~ Administration

(A) Duty to Enforce. The ~~Director~~ City Manager or his/her designee shall have the duty to enforce the provisions of this Title.

(B) Violations. It shall be unlawful for any person to violate any provision of this Chapter. It shall also be unlawful for a property owner, tenant, and a proprietor of a sign company to use, occupy, or maintain property in violation of this Chapter. Illegal signs and persons using, occupying, or maintaining property with an illegal sign shall be subject to enforcement procedures as described in the PMC, including but not limited to issuance of a citation, imposition of a fine, and/or arrest. Signs in violation of this Chapter may be summarily removed by the City Manager or his/her designee ~~Superintendent of Maintenance or his/her representative, or any Community Service or Code Enforcement Officer, or any other City employee authorized by the City Manager to remove such sign(s)~~. The sign owner shall be responsible for payment of a fee or fine in the ~~an~~ amount specified in the City's ~~fee resolution~~ Master Schedule of Fees and Penalties for each sign ~~so~~ removed. In cases where a duly authorized representative of the City has direct contact with the violator of these provisions, this person shall be responsible for the payment of the aforementioned fees or fines. A written notice of the removal shall be given to the sign owner stating that the sign may be reclaimed within 10 days and will be returned to the owner upon payment of the fee or fine specified herein, except that no such notice shall be required if the owner is not identified on the sign. In the event the sign is not reclaimed within the

time allowed to do so, the sign may be destroyed or otherwise disposed of by the City Manager or his/her designee ~~Superintendent of Maintenance~~. Unclaimed signs may be sold at a price determined by the City Manager and/or his/her designee ~~Superintendent of Maintenance~~.

(C) Ambiguity. Whenever ambiguity arises as to the interpretation of the provisions of this Title, the applicant for a sign permit may request that the Planning Commission make a determination as to the meaning and application of the ambiguous provisions.

(D) Discontinuance of a Business. Within 91 days of vacancy in the unit or building for which a commercial sign was placed or before a new business occupies the premises, it shall be the responsibility of the applicant or the applicant's authorized leasing agent to remove the message or copy of an abandoned sign and to patch and conceal any and all damage to the structure resulting from removal of the sign in a neat and professional manner. Legally existing abandoned cabinet signs shall be replaced with a blank panel.

(E) Removal of Illegal Signs on Public Property. The City Manager and/or his/her designee ~~Director~~ shall remove or cause to be removed any sign unlawfully placed or located on public property. The City Manager and/or his/her designee ~~Director~~ shall send notification in writing to the owner of such sign, if such owner is known, stating the location where his or her sign is being held and that it will be destroyed if not claimed by the owner within 10 days after the date of such notice. In the event that the owner does not claim such sign within the 10 day period, the City Manager and/or his/her designee ~~Director~~ may destroy or otherwise dispose of such sign. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and destroying or otherwise disposing of the sign.

For purposes of this Section, there shall be a presumption that:

1. The real estate agent, broker, brokerage firm or other person whose name or telephone number appears on the handbill or sign is the person responsible for posting a handbill or sign advertising property for sale, lease or rent;

2. The candidate seeking office is the person responsible for posting a handbill or sign promoting the candidate for public office;

3. The owner, or lessee if the property is leased, of property used for a yard or garage sale is the person responsible for posting a handbill or sign advertising a yard or garage sale;

4. The person whose name, telephone number or address appears as the sponsor for a sporting event, concert, theatrical performance, or similar activity or

event is the person responsible for posting a handbill or sign advertising the subject activity or event; and,

5. The person whose name, telephone number, or address appears as the person to contact on any handbill or sign posted is the person responsible for posting the same. For purposes of this Section, the person presumed to be responsible for posting a handbill or sign on public or utility property may rebut such presumption by declaring under penalty of perjury or swearing under oath that the person did not cause, authorize, allow, or permit the posting of the handbill or sign on public or utility property.

(F) Abatement of Danger. When the City Manager and/or his/her designee ~~Director~~ determines a sign constitutes an imminent danger to the public safety, the City Manager and/or his/her designee ~~Director~~ may take appropriate action to abate the danger. Any sign removed to abate such a threat to the public safety shall become the property of the City and may be disposed of in any appropriate manner. The cost of such emergency abatement shall be charged against the owner of the sign and may be recovered by the City by an appropriate legal action or by assessment against the property, provided that the person assessed shall be granted a hearing before the Planning Commission to contest the amount or propriety of the charge if such person requests a hearing within 30 days of notice from the City. For the purposes of this Section, a sign shall be refutably presumed to be the property of the same person as described in Subsection (E) of this Section (Removal of Illegal Signs on Public Property).

(G) Entitlements Strictly Construed. Because the standards provided by this Chapter are established to protect and promote the public health, safety, and general welfare, any sign entitlement authorized herein shall be strictly construed to further the purposes of this Chapter.

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 CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the proposed amendments to the City's sign regulations will have a significant effect on the environment.

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 November 9, 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 proposed ZOA updates the City's sign regulations to establish clear and consistent standards that support orderly and attractive development, enhance community character, reduce visual clutter, and clarify enforcement procedures. The amendments also promote public safety and convenience by regulating the location, design, and illumination of signs to minimize impacts to motorists and pedestrians. Therefore, the proposed ZOA is consistent with and implements the goals, objectives, and policies of the General Plan and promotes public safety, convenience, and general welfare.

SECTION 4. Based on the findings and conclusions outlined in sections 1, 2, and 3, this City Council approves ZOA 26-0001 and finds that the amendment is exempt from environmental review.

SECTION 5. 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 9th day of November 2026.

_____
Eric Ohlsen, Mayor

Approved as to form:

_____
Taylor Anderson, Deputy 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 9th day of November, 2026 effective on the 9th day of December, 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____

_____
Rochelle Scott, City Clerk

PLANNING COMMISSION
CITY OF PALMDALE
RESOLUTION NO. PC-2026-004

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PALMDALE RECOMMENDING CITY COUNCIL APPROVAL OF ZONING ORDINANCE AMENDMENT NO. 26-0001 TO MODIFY CHAPTER 17.88 SIGNS 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) 26-0001, modifying Chapter 17.88 (Signs) (hereinafter referred to as "Application").

WHEREAS, the Application was scheduled for consideration at the September 10, 2026, Planning Commission meeting. Although the meeting was properly noticed and agendized, the Planning Commission was unable to consider the item due to a lack of a quorum. Accordingly, the item was continued to the October 8, 2026, Planning Commission meeting.

WHEREAS, on October 8, 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 CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE, AND ORDER AS FOLLOWS:

SECTION 1. Palmdale Municipal Code Chapter 17.88 (Signs) is hereby amended to read as follows:

§ 17.88.010 Applicability.

This Chapter shall apply to all signs and/or sign structures that are visible from public rights-of-way and private streets, within parking lots and loading areas and from adjacent properties, unless such signs are regulated pursuant to the provisions of an adopted Specific Plan.

§ 17.88.020 Intent and Purpose.

The purpose of this Chapter is to implement the Palmdale General Plan by promoting the growth of the City in an orderly and attractive manner and to provide standards to safeguard life, health, property, and public welfare by regulating and controlling the type, number, area, height, quality of materials, construction, illumination, location, and maintenance of all signs and sign structures. The sign standards of this Chapter are intended to accomplish the following results:

(A) Make the City attractive while enhancing economic development through an effective and high-quality signing program. Protect and enhance the character of neighborhoods by preventing visual clutter caused by excessive and obtrusive signage. Promote and maintain healthy commercial, mixed-use, and industrial areas and property values for effective identification and communication of the nature of goods and services and avoidance of wasteful and unsightly signs.

(B) Establish uniform Citywide signage standards and requirements that provide for public convenience by directing persons to various activities and uses.

(C) Provide a reasonable system of sign control throughout the City consisting of sign type, size, location, illumination, and spacing to contribute toward development of a high-quality visual environment.

(D) Encourage signs that are well designed and pleasing in appearance, and provide incentive and latitude for variety, good design, relationship, and spacing.

(E) Encourage a desirable community character, which has a minimum of visual clutter.

(F) Enhance aesthetic appeal through the reasonable regulation of such things as type, number, area, height, location, and illumination of signs.

(G) Encourage signs that are properly located, harmonious with adjacent land uses, and architecturally compatible.

(H) Reduce and, to the extent permissible and practicable, eliminate traffic and safety hazards posed to motorists and pedestrians by outdoor advertising structures and other signs that may distract motorists and pedestrians.

(I) Implement the goals, policies, and objectives of the General Plan.

(J) Encourage pedestrian-oriented commerce by promoting pedestrian-scale signs.

(K) Direct persons at entrances of multi-tenant buildings through placement of directory signs or information kiosks where such signage is supported by a compelling governmental interest and/or is government signage.

(L) Enhance the community environment by limiting the visual influence of wall signs on structures containing three stories or more.

(M) Ensure and protect the constitutional right of free speech by not imposing greater restrictions on noncommercial speech than on commercial speech or advertising.

(N) Provide sign criteria that is objective, does not vest City officials with unfettered discretion, and that is aimed at regulating the time, place, and manner of signs as

distinguished from the content of the sign. Where content is regulated, the City intends its standards to be narrowly tailored to serve the City's compelling interest in preserving and enhancing its appearance and in protecting motorists and pedestrians from traffic and safety hazards.

(O) Bring existing approved sign programs into conformance with current development standards while maintaining the unique characteristics intended for such programs.

(P) Provide a reasonable amortization period for the removal of nonconforming signs.

(Q) Inventory, identify and abate all illegal, abandoned and improperly maintained signs.

(R) Identify precisely those areas and/or zones where the installation of additional outdoor advertising structures should be prohibited due to the importance of such areas to the environmental, economic, or other development goals and objectives of the City.

(S) Provide for the relocation of existing legal outdoor advertising structures so as to minimize the adverse effects of such signs on the City's goals and objectives, pursuant to the California Business and Professions Code Section 5412.

(T) Remove all outdoor advertising sign structures from the residential areas of the City, pursuant to the California Business and Professions Code Section 5412.

§ 17.88.030 Definitions.

"Agreement, billboard relocation" shall mean an agreement entered into between the City and a billboard owner resulting in removal of an existing outdoor advertising sign structure, reconstruction of the outdoor advertising sign structure on its existing parcel or relocation of the outdoor advertising structure to another parcel of property within the City, subject to the approval of a Conditional Use Permit.

"Outdoor advertising" shall mean the use of a sign or signs soliciting public support or directing public attention to the sale, lease, hire or use of any objects, products, services or functions which are not produced, sold or otherwise available on the premises where such sign is erected or maintained.

"Sign" shall mean any device, structure, fixture, surface, display, graphic, or visual element that is visible from a public right of way or outdoor area and is used to ~~object conveying a message and having a visual appearance primarily used for~~ attract ~~attracting public~~ attention or ~~patronage from the street, sidewalk, or other outside public area.~~ communicate any visual information or message, regardless of content. ~~Signs located completely within an enclosed building, and not exposed to view from a street, are not considered a sign for purposes of this Title.~~ A display or device, need not contain lettering to be a sign.

“Sign, abandoned” shall mean any sign associated with a business remaining in place for a period of 90 days or more where the establishment to which the sign is attached has ceased operation or where there is no sign copy appearing on the sign.

~~“Sign, accessory” shall mean signs that are secondary in purpose and provide information concerning the business and are typically placed on the outer edge of a permanent canopy island structure or that are displayed on or below a canopy projecting from a main building.~~

“Sign, advertising or commercial” shall mean any message, the prevailing thrust of which is to propose a commercial transaction.

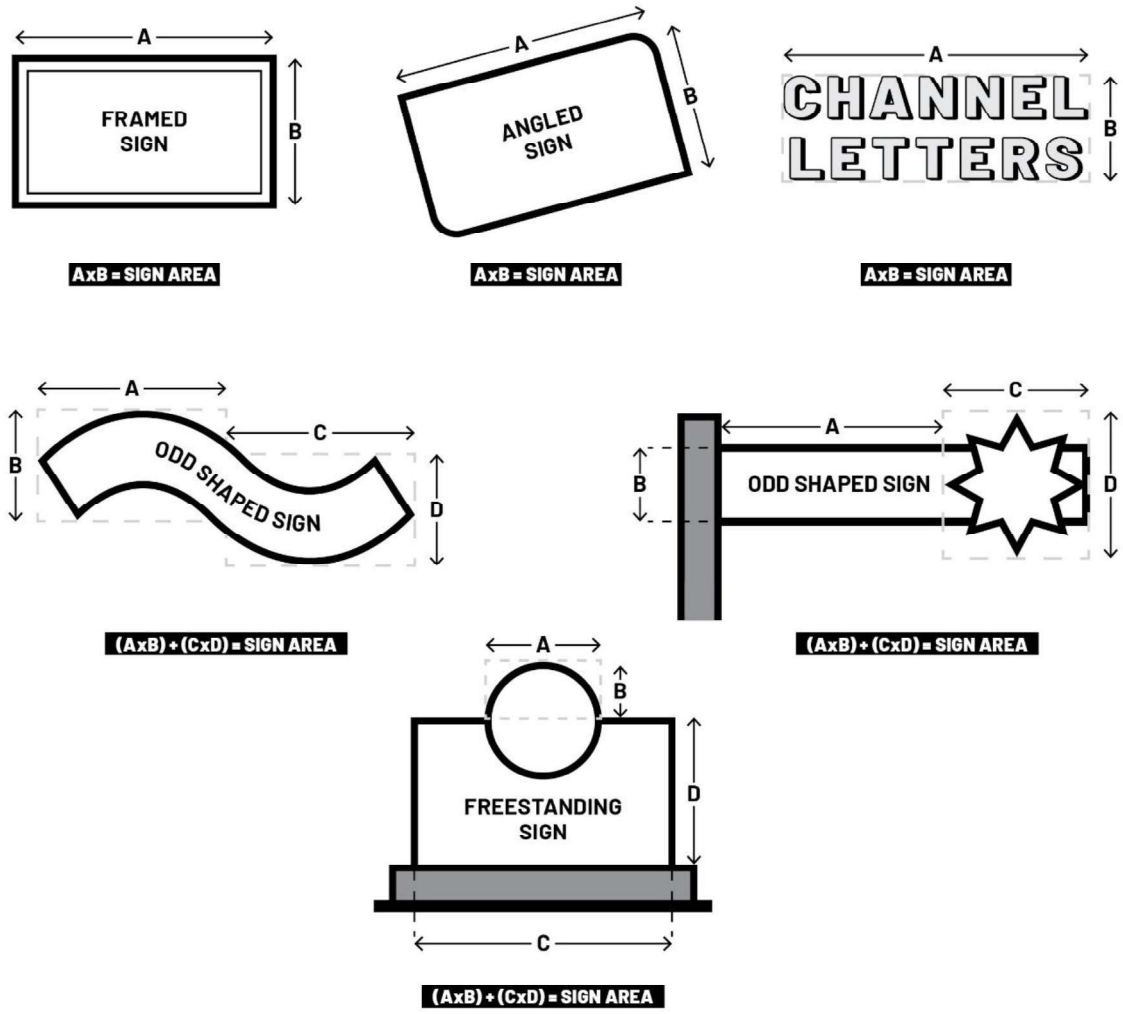
“Sign, advertising structure” shall mean a structure of any kind erected, used, or maintained for outdoor advertising purposes, upon which any poster, bill, printing, painting or other advertisement or commercial speech of any kind whatsoever may be placed, including statuary, for advertising or commercial purposes.

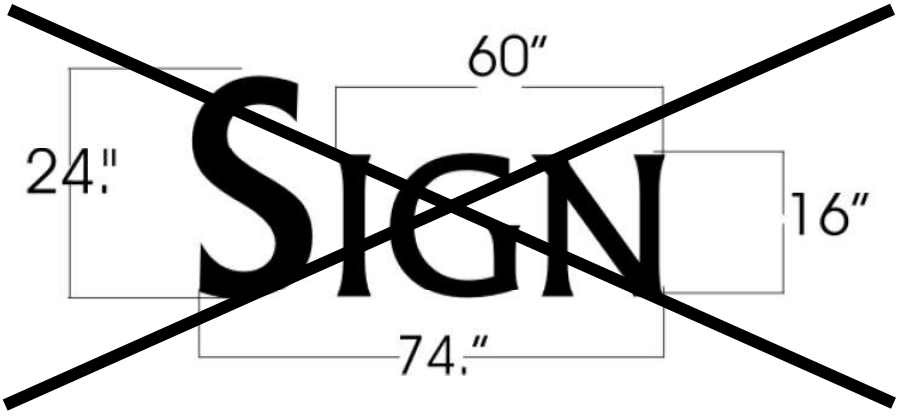
“Sign, alteration” shall mean any change of size, shape, illumination, position, location, construction or supporting structure of an existing sign.

“Sign, animated” shall mean a sign having moving parts or lighting, an image projection which creates the illusion of moving parts, or has flashing, chasing, or twinkling lights.

“Sign area” shall mean the entire area within ~~a single continuous~~ the perimeter ~~composed~~ of a maximum of two squares or rectangles which enclose~~s~~ the extreme limits of the writing, representation, emblem, or any figure, together with any frame, background area, structural trim, or other material, including any light or color that forms an integral part of the display which is used to differentiate the sign from the background upon which it is placed. In the case of a sign designed with more than one exterior surface, the area shall be computed as including only the maximum single display surface, which is visible from any ground position at one time. The supports or uprights on which any such sign is supported shall not be included in determining the sign area unless such supports or uprights are designed in such a manner as to form an integral background of the display.

FIGURE 17.88.030-12. SIGN AREA





"Sign, balloon" shall mean a flexible, nonporous bag inflated with a gaseous substance, including but not limited to helium, that is lighter than the surrounding air, which causes the bag to rise and float in the air

“Sign, banner” shall mean a temporary sign composed of flexible, lightweight material not enclosed in a rigid frame.

“Sign, billboard” shall mean the same as outdoor advertising sign structure.

“Sign, cabinet or can” shall mean a sign consisting of one or more flat translucent panels containing sign copy affixed to an internally illuminated box or cabinet mounted on a building or monument structure. Such signs are typically illuminated with fluorescent lights. Sign panels may or may not be interchangeable.

“Sign, canopy/awning” shall mean any sign printed or painted on the visible surface of a canopy or awning.

“Sign, change of copy” shall mean the changing of a message on a lawfully erected sign. A change of copy does not include the following (all of which acts shall be considered as the placing of a new sign): any alteration or reconfiguration of the outside dimensions of a sign, any structural modifications of a sign and/or relocation of all or any portion of a sign.

“Sign, changeable copy” shall mean a sign on which message copy can be changed manually through use of attachable letters and numerals.

“Sign, City kiosk program” shall mean a uniform off-site directional sign program, administered by the ~~BIA~~ City or an agency as determined by ~~resolution of~~ the City ~~Council~~ for the purpose of providing travel directions.

“Sign, construct” when used with reference to a sign, shall mean to install, erect, or place on the ground or on a building structure, or to affix, paint or post on or to a building or structure.

“Sign, copy” shall mean either commercial speech or noncommercial speech messages.

“Sign, digital advertising display” shall mean an electronic advertising display where the message is changed more than once every two minutes, but no more than once every six seconds and the transition between messages is no more than one second. A digital advertising display shall not be considered an electronic reader board or animated sign as those terms are otherwise defined herein.

“Sign, directional” shall mean any sign that serves solely to designate the direction or the location of any place or area and is placed on the property to which the public is directed. Distinctions for directional signs within this Chapter are limited to those

situations where there is a compelling government interest and/or where the directional sign qualifies as a government sign.

"Sign, directory" shall mean a sign or a set of similarly designed individual signs placed or displayed in sequence, to list the location of various units within a development. Distinctions for directory signs within this Chapter are limited to those situations where there is a compelling government interest and/or where the directory sign qualifies as a government sign.

"Sign, double-faced" shall mean a sign with copy on two faces, legible from opposite directions.

"Sign, electronic reader board" shall mean a sign that contains a video screen, rows of light bulbs or other type of electronic display, which when activated forms messages, symbols, or graphics. Electronic reader boards do not include outdoor advertising sign structures utilizing digital advertising display pursuant to PMC §17.88.135~~0.E~~.

"Sign, externally illuminated" shall mean any sign constructed to have artificial light shone on the sign face from a lighting source that is external to the sign structure.

"Sign face" shall mean the surface or that portion of a sign upon which the sign copy or message is located that is visible from a single point as generally a flat surface or a single plane.

"Sign, flashing" shall mean the same as "Animated Sign".

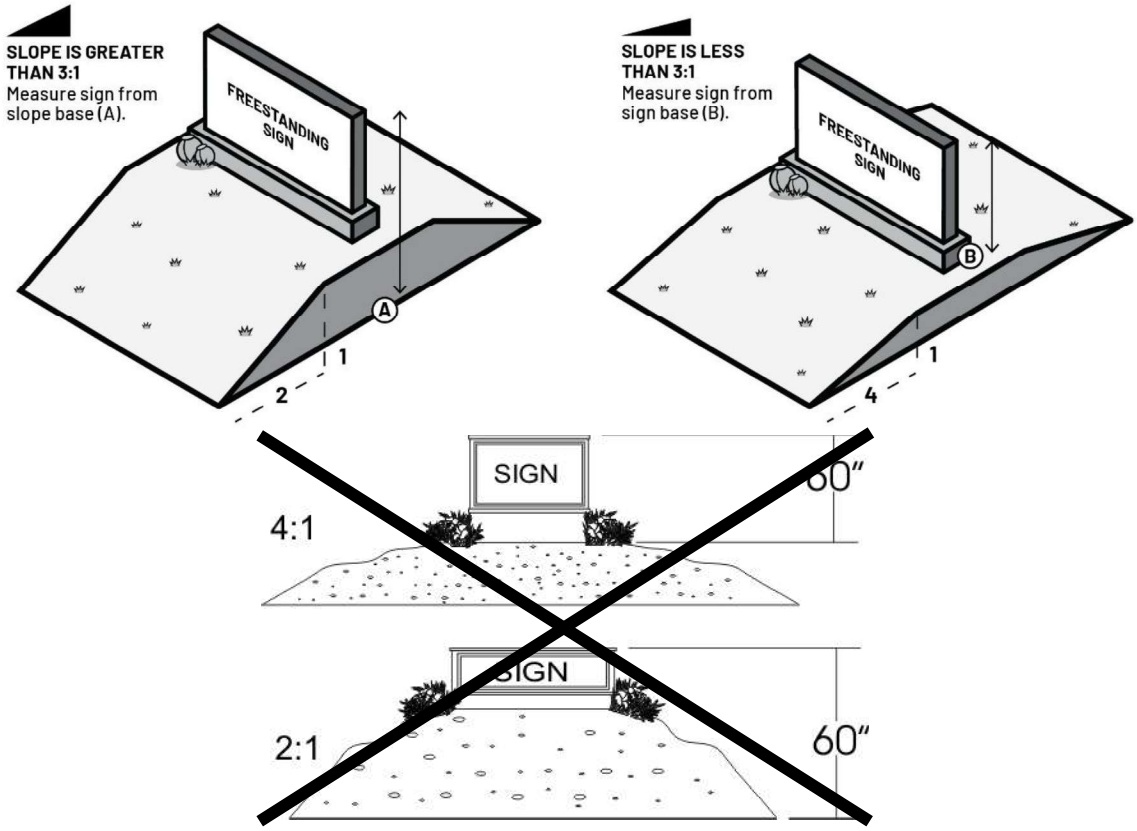
"Sign, freestanding" shall mean any sign supported by structures or supports that are placed on, or anchored in, the ground, which are independent from any building or other structure. ~~This definition may include pole signs, ground signs and monument signs.~~

"Sign, government" shall mean a sign ~~erected and~~ maintained by the City ~~Federal, State, or local government~~, or any other public agency, or third-party designated by a public agency. Government Sign shall also mean a sign that is required to be constructed, placed, or maintained by the Federal, State, County, or local government or any other public agency either directly or to enforce a property owner's rights. Government Sign shall also include a sign erected and maintained by any person authorized by the City pursuant to resolution, license, or agreement, as part of the City kiosk sign program or the government sign section, which may include a digital advertising display or an electronic reader board.

"Sign, halo" shall mean a sign that directs light toward the wall behind the sign or lettering rather than outward creating a halo or negative effect.

"Sign, height of freestanding" shall mean the greatest vertical distance measured from ground surface to the top of the freestanding sign and any accompanying architectural feature of the sign. Intentional changes in the elevation of the ground surface by mounding within landscape areas utilizing more than a 3:1 slope in order to achieve an increased overall height shall be counted in the calculation of sign height.

FIGURE 17.88.030-~~2~~1. FREESTANDING SIGN HEIGHT



"Sign, height of nonfreestanding" shall mean the greatest vertical distance measured from the bottom to the top of the sign area.

"Sign, human" shall mean any person having a visual appearance primarily used for, or having the effect of, attracting attention from the streets, sidewalks, or other outside public areas for identification purposes to convey a commercial message. Noncommercial messages shall not be considered within the definition of human signs.

"Sign, illegal nonconforming" shall mean any sign structure which did not conform to applicable laws and/or was not granted a sign permit when constructed and has not been brought into full conformity by a specific remedy provided in this Title.

~~"Sign, information kiosk" shall mean a freestanding or wall-mounted sign structure, other than an outdoor advertising structure, billboard, or monument sign, that is designed to display a collection of two or more on-site signs or noncommercial signs.~~

"Sign, internally illuminated" shall mean any sign constructed to have artificial light shone on the sign face from a lighting source that is inside the sign structure.

"Sign, legal nonconforming" shall mean any sign that was lawfully erected, with all necessary permits, but due to a change in the law, fails to conform to all applicable standards and limitations of this Title.

"Sign, maintenance" shall mean the repair, restoration or preservation of an existing sign or sign structure to a condition or state similar to, but not larger than, that which was originally installed, erected, or approved by the City.

"Sign, marquee" shall mean a freestanding structure, wall sign or a structure that overhangs the entrance of a building or projects beyond a building facade, on which a changeable copy sign is affixed, including, but not limited to those typically displayed outside theaters, hotels, schools, or churches. Individual letters are changed manually on such signs as opposed to electronically.

"Sign, mobile billboard" shall mean any vehicle, trailer, or wheeled conveyance that carries, displays, or supports a sign and is used for the primary purpose of displaying signage, regardless of message content.

~~"Sign, monument" shall mean a low-profile, ground-mounted freestanding sign that is supported by a solid base as an essential element of the design of the sign.~~

~~"Sign, neon" shall mean a sign constructed of tubing that is illuminated by means of a gas or vapors. Decorative or other architectural elements on buildings consisting of neon tubing are not included in this definition.~~

"Sign, off-site/off-premises ~~commercial~~" shall mean a sign displaying a permanent commercial message that is not located on the site of the business, accommodations, services, or commercial activity served by the sign.

"Sign, official" shall mean signs that help direct pedestrians and motorists away from roadway hazards, toward public services, and informs those persons of the applicability of certain traffic regulations which are required to be erected by the City, the State Department of Transportation, or any other public agency.

"Sign, on-site/on-premises ~~commercial~~" shall mean a sign that is located on the site of the business, accommodations, services, or commercial activity served by the sign.

“Sign, outdoor advertising structure” shall mean a panel or billboard affixed to the ground, enclosed in a rigid frame used to display paid commercial and noncommercial messages or advertisements in outdoor public places, such as alongside highways.

“Sign, painted” shall mean a wall sign painted directly onto the surface of a building or onto a separate flat surface that is attached to the side of a building.

~~“Sign, pole” shall mean a permanent freestanding sign supported by one or more posts, columns or poles that are not enclosed in a solid structure equal in width to at least one-quarter the sign face and where the portion of the unenclosed posts, columns or poles exceeds 18 inches in height. This definition shall not include in whole or in part electronic reader boards or digital advertising displays.~~

"Sign program" shall mean an approved plan by the Director setting forth all signage for an approved commercial, business, or industrial center.

“Sign, projecting” shall mean a sign that is attached to and projects away from the side of a building. Such signs are typically oriented for pedestrian visibility and are viewed perpendicular to the face of the building.

“Sign, reader board” shall have the same definition as the term Electronic Reader Board.

“Sign relocation” shall mean to move a sign from one location to another or to remove a sign from one location and construct a similar sign at another location.

“Sign, roof” shall mean any sign erected upon, against, or directly above a roof, or projecting above the parapet of a building. Signs erected completely below the uppermost roof line on a mansard roof shall not constitute a roof sign.

“Sign, secondary skyline” shall mean a wall sign that is placed below the second floor of a building consisting of three stories or more.

“Sign, skyline” shall mean a wall sign that is placed above the windows of the highest floor of a building consisting of three stories or more.

"Sign structure" shall mean any structure, which supports, has supported, or is capable of supporting a sign, including decorative cover.

“Sign, temporary” shall mean a sign that is displayed for the specific period of time of an event and which is removed immediately after the completion of the event or time period.

“Sign, under-canopy” shall mean signs suspended no lower than eight feet above the public right- of-way or a walkway under a canopy or awning of a building.

"Sign, unlawful" shall mean a sign which was constructed illegally and which violates this Chapter, or which the Director declares to be unlawful because it has become dangerous to public safety.

"Sign, upgrade" shall mean any activity intended to improve the design quality and aesthetic appeal of an existing sign, display, or device by modifying structural elements of, or providing substantial cosmetic enhancements to, such sign, display or device.

"Sign, vehicle" shall mean any sign painted directly upon, magnetically affixed to or ~~permanently~~ affixed to the body or other integral part of an operative vehicle or trailer~~; provided, that the maximum number of such signs is two and the maximum size of each sign is four square feet~~.

"Sign, wall" shall mean a sign attached to, painted, or erected on the exterior wall of a building or structure with the exposed face of the sign in a plane approximately parallel to the plane of the exterior wall.

"Sign, window" shall mean a temporary or permanent sign with a single face of copy that is painted or installed on a glass window or door, or located within 12 inches from inside the window, in a manner which can be viewed from the exterior of a structure. ~~sign constructed of paper, canvas, cardboard or painted with water soluble pigment which is to be displayed on the inside of a glass window surface or painted on the outside of a window.~~ This term does not include merchandise located in a window.

~~"Speech, commercial" shall mean any message, the prevailing thrust of which is to propose a commercial transaction.~~

~~"Speech, noncommercial" shall mean any message that is not determined to be commercial speech as defined herein. Speech that is determined to be obscene shall not be included~~

"Structure, advertising" shall mean a structure existing, erected or maintained to serve exclusively as a stand, frame or background for the support or display of signs.

17.88.040 Sign Permit Requirements and Procedures

Except as otherwise provided in this Chapter, no person shall cause or permit the construction, enlargement, remodeling, or upgrade of any sign without first obtaining a sign permit pursuant to the provisions of this Section, and any other permits required by law. Legally established signs becoming nonconforming as a result of this Chapter shall be subject to amortization pursuant to PMC §17.88.140~~150~~ (Amortization and Abatement of On and Off-Premise Signs, Sign Programs and Outdoor Advertising Sign Structures ~~outdoor advertising sign structures (Billboards)~~). Any person or entity

engaged in the business of constructing or installing signs in the City shall have a valid State contractor's license, as applicable, and a City business license.

In each instance, and pursuant to the same conditions to which this Chapter permits any sign with a commercial message, a sign containing a noncommercial message and constructed to the same physical dimensions, character, and standards shall be allowed.

(A) Application Requirements. An application for a sign permit shall be made on the appropriate form(s) provided by the Director. A processing fee established by resolution of the City Council for new sign permits shall accompany applications. Applications for new sign permits shall contain all of the following information and materials:

1. Project location

   a. Address or nearest cross streets

   b. Assessor's parcel number (for vacant land)

2. Name of business (if applicable);

3. Name, address, and phone number of person and firm preparing application;

4. Applicant or applicant's authorized leasing agent name, signature, and telephone number;

5. Description and number of signs requested~~, including all accessory signs~~;

6. Drawing depicting dimensions, design, colors and materials of the sign or sign structure(s);

7. Construction specifications for method of attachment of the sign to the ground or structure and illumination;

8. Building elevation (for wall signs) depicting the dimensions, color and materials of the building or leaseholder unit where sign is to be attached. A photograph may be used to show the color and material of the building;

9. Site plan (for freestanding signs). Showing the intended location and position of the proposed sign; distance to existing or future structures, parking facilities, any outdoor seating areas, other freestanding signs, property lines, roadways, and driveways on or adjacent to the parcel where the sign is to be located; and

10. Grading Plans (for freestanding signs), demonstrating grade elevation within landscaped areas in relationship to the public right-of-way in immediate proximity of proposed sign structure(s).

(B) Review Process. ~~An application for a sign permit to construct a new sign or to enlarge or upgrade an existing sign for an existing building shall be submitted on the appropriate form(s) provided by the Director and accompanied by a processing fee established by resolution of the City Council.~~ The Director shall approve the sign permit if the Director finds that such application satisfies the standards set forth in Subsection (C) of this Section (Criteria for Approval) of this Section and the provisions of this Chapter. Otherwise, the Director shall deny the sign permit, in which case the applicant shall be notified in writing the reason(s) why the application was denied. All decisions of the Director may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

(C) Criteria for Approval. The following findings shall be made for approval of any sign permit for a sign or sign structure regulated by this Chapter:

1. The sign complies with the applicable provisions of PMC §17.88.080~~090~~ (General Development Standards), for permanent sign structures regulating the allowable sign area, location, setbacks, orientation, design, construction, materials, colors, and illumination; and,

2. The sign complies with the adopted sign program for the site, which regulates the size, color, lettering, location, and other design elements specified in the sign program (if applicable).

~~**17.88.050 Change of Copy Requirements and Procedures**~~

~~The application for a change of copy on an existing legally established and legally existing sign shall be made on the appropriate form(s) provided by the Director. Any person or entity engaged in the business of constructing signs in the City shall have a valid state contractor's license and a City business license. In each instance, and pursuant to the same conditions to which this Chapter permits any change of copy, a sign containing an ideological, political, religious, or other non-commercial message and constructed to the same physical dimensions, character, and standards shall be allowed.~~

~~(A) Applications for a change of copy shall contain all of the following information and materials:~~

~~1. Project location including address or nearest cross streets, assessor's parcel number (for vacant land), and name of business (if applicable);~~

~~2. Name, address, and phone number of person and firm preparing the application;~~

~~3. Applicant or applicant's authorized leasing agent name, signature, and telephone number;~~

~~4. Description and number of signs for which change of copy is requested; and,~~

~~5. Previously approved sign plans depicting sign area, dimensions, colors, design and materials, and method of illumination of the original sign or sign structure.~~

~~(B) Review Process. An application for a change of copy to upgrade an existing sign shall be reviewed by the Director following submittal of a complete change of copy application. The Director shall either approve the requested change of copy if the Director finds that such application satisfies the standards set forth in Subsection (C) of this Section (Criteria for Approval) and the provisions of this Chapter or the Director shall deny the sign permit, in which case the applicant shall be notified in writing the reason(s) why the application was denied. All decisions of the Director may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).~~

~~(C) Criteria for Approval. The following findings shall be made for approval of any change of copy regulated by this Chapter:~~

~~1. The requested change of copy is to change the face of a legally-established sign structure that was issued all required permits at the time the sign was originally constructed;~~

~~2. The sign structure to which the change of copy is requested is of sufficient integrity and strength to adequately support the sign copy; and,~~

~~3. The requested change of copy does not alter or reconfigure the outside dimensions of the sign, structurally modify the sign, or relocate the sign from its original construction.~~

17.88.0~~5~~60 Sign Program Requirements and Procedures

Anyone wishing to establish a new sign program for the purpose of establishing a coordinated project theme consisting of uniform design elements for multiple tenants and/or for modifying the spacing, location, size, or height requirements for signs may apply for a sign program pursuant to this Section. Elements not specified as a component of the sign program shall comply with all applicable City sign standards as required pursuant to this Chapter. A processing fee established by resolution of the City Council shall accompany applications for new sign programs along with the following:

(A) Application Requirements. An application for a sign program shall be made on the appropriate form(s) provided by the Director. A processing fee established by resolution of the City Council for sign programs shall accompany applications. New applications for sign programs shall contain the following information and materials.

~~(B) Sign Program Specifications. The following shall be submitted in support of an application for a sign program at a minimum. Where appropriate, illustrations shall be included.~~

1. Size and material specifications;

2. Method of attachment;

3. Method of illumination;

4. Architectural design enhancements;

5. Location(s) of signs;

6. Major or other tenant sign specifications, provided total center sign area is not exceeded;

7. Letter style, font, color, and/or height specifications;

8. Spacing standards for signs; ~~and,~~

9. Additional sign restrictions, which may include prohibited signs; and

10. Illustrations, where appropriate.

(B) Review Authority. The Director shall be the review authority for sign programs except as provided below.

1. If the Director determines that the sign program includes free standing signs that are taller than 12 feet that may have significant impacts on the project site or surrounding properties, the Director may defer approval of the sign program to the Planning Commission.

(C) Review Process. Applications for new sign programs shall be submitted on the appropriate form(s) provided by the Director and accompanied by a processing fee established by resolution of the City Council. The ~~Director~~ applicable review authority shall approve the application if ~~the Director~~ it finds that such application satisfies the standards set forth in Subsection (D) of this Section (Criteria for Approval) and conforms to the provisions of this Chapter. Otherwise, the sign program shall be denied and the applicant shall be provided with the reason(s) for the denial in writing from the ~~Director~~ applicable review authority. All decisions ~~of the Director~~ on sign program applications may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

(D) Criteria for Approval. An application shall be approved so long as it complies with the following criteria:

1. The sign program establishes a coordinated project signage theme or modifies the spacing or location standards within an approved commercial, business, or industrial center; and,

2. The sign program meets all of the provisions contained in this Section.

17.88.060~~070~~ Exemptions to Sign Permit Requirements

The following signs shall be allowed without the requirement of a sign permit in all zones, except as specified herein in which case such signs shall comply with PMC §17.88.040 (Sign Permit Requirements and Procedures). All exempt signs shall be subject to PMC §17.88.080~~090~~ (General Development Standards), and PMC §17.88.160~~180~~ (Administration):

(A) Bus Shelter Signs. Signs located on bus shelters as specifically allowed by resolution of the City Council.

(B) Flags. One flagpole per developed parcel with a maximum of two flags, not to exceed 35 feet in height and 25 square feet in area. One additional flagpole with up to two additional flags may be allowed subject to approval of a sign permit.

~~(C) Information Kiosks. Information kiosks that are allowed by the zone as an accessory use and shall not exceed six feet in height or 16 square feet in area per face (maximum 32 square feet for a multi-sided kiosk). Information kiosks may be located within public property or right-of- way, subject to approval by the Director of Public Works or his/her designee. Wall-mounted signs are not exempt and are subject to the sign standards for the zone.~~

(C~~D~~) Interior Signs. Signs located inside a building~~,~~ or structure~~, or mall~~ provided the sign copy is not visible to the public right-of-way or a parking lot or is not located so as to be conspicuously visible and readable without intentional and deliberate effort from outside the building, structure, or mall.

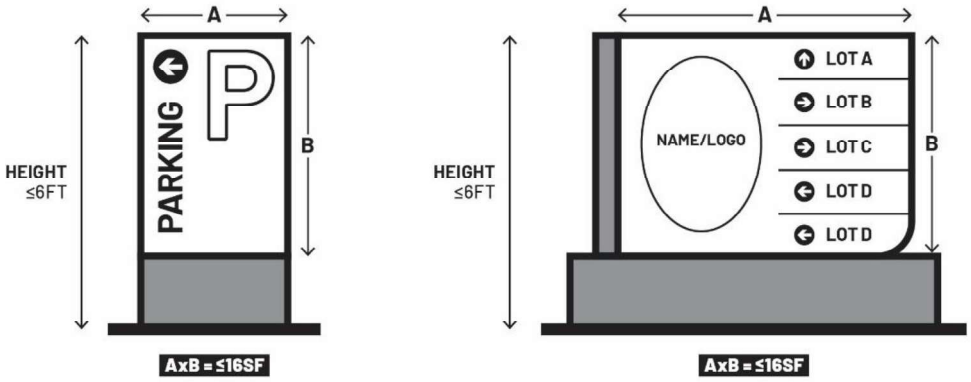
(D~~E~~) Home-based Business Signs. Mandatory signs required by Federal, State, County, or other agencies for home-based businesses.

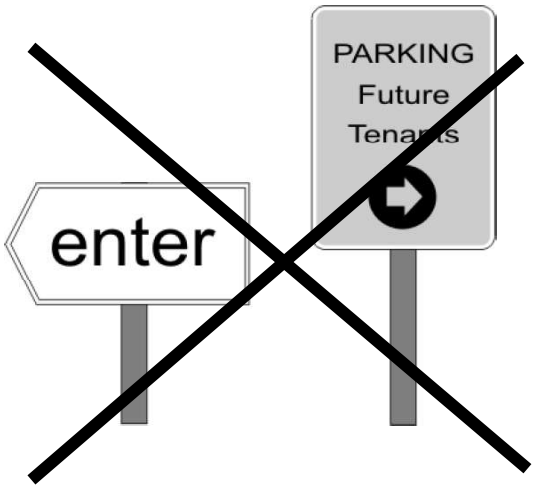
(E~~F~~) Light Pole Banners. Light pole banners as specifically allowed pursuant to PMC §17.88.110~~130~~ (Government Signs).

(F~~G~~) Government Signs. Signs as specifically allowed pursuant to PMC §17.88.110~~130~~ (Government Signs).

(G~~H~~) On-site Directional Signs. On-site directional signs not to exceed six feet in height or 16 square feet in area per face are allowed to provide information for the direction or convenience of the public, such as outlining/assisting vehicle and pedestrian circulation within a site. ~~The City has a compelling interest in ensuring traffic safety, and to directly advance that interest, the City will allow on-site directional signage so as to assist and direct traffic circulation into, out of, and through parking lots on private property. On-site directional signs shall be limited in number to five signs. Developed sites that have more than one frontage shall be allowed four signs per frontage up to eight total signs. The maximum area for such signs shall not exceed six square feet in area per sign and eight feet in height. Up to three times the allowable sign area and an additional four feet in height may be allowed with approval of a sign permit when it can be reasonably justified that due to the subject property or use, visibility constraints exist which justify larger signage.~~

FIGURE 17.88.060~~070~~-1. ON-SITE DIRECTIONAL SIGNS





(H~~I~~) Official Signs. The City has a compelling interest in facilitating traffic safety for pedestrians and motorists. This interest is directly advanced by having official signs that help direct pedestrians and motorists away from roadway hazards, toward public services, and informs those persons of the applicability of certain traffic regulations. To accomplish this compelling purpose, the City finds that it shall allow for such signs to be erected, moved, and changed by governmental officials with minimal regulation from the Economic and Community Development Department. For these reasons, the City hereby exempts the following signs from its sign permit requirements and development standards. Official traffic, fire and police related signs, temporary traffic-control signs used during construction, utility facilities and substructure location and identification signs and markers required to protect said facilities, and other signs and markers required by the City, the State Department of Transportation, or any other public agency.

(I~~J~~) Signs Accompanying the Sale of Personal Property. One sign not exceeding four square feet in area may be placed on residential property where personal property is displayed for sale pursuant to the provisions of this Title.

(J~~K~~)Signs on Vehicles. Vehicle signs, as defined in PMC §17.88.030 (Definitions), in compliance with all of the following: ~~provided that the vehicle is not parked in a required parking space adjacent to a public right-of-way for the primary purpose of advertising.~~

1. The display shall be flush with and painted directly upon, magnetically affixed to, or permanently affixed to the body of an operative vehicle.

2. The maximum number of such signs is two and the maximum size of each sign is four square feet.

3. Illumination and/or animation is prohibited.

4. Changeable and electronic copy is prohibited.

5. Any signage required by state law or local ordinance to be affixed to a vehicle, or vehicle signage required to protect public health, safety, and welfare is also exempt.

6. Vehicles positioned or used for the primary purpose of displaying signage visible from a public right-of-way shall be regulated as mobile billboards pursuant to PMC §17.88.070, regardless of message content

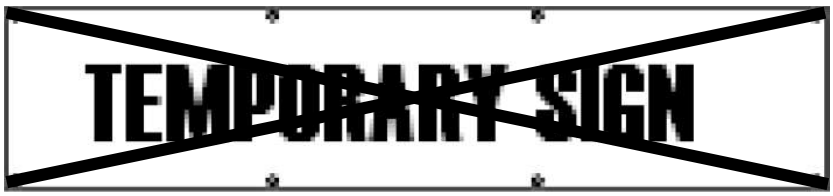
(K~~L~~) Temporary Signs. The City has a compelling interest in making the City attractive to residents, visitors, and business owners. To accomplish this interest, the City finds it necessary to establish standards for temporary signs and to regulate their duration. All temporary signs in the City shall be subject to the following:

1. Number. No more than one temporary sign shall be allowed per authorized use as specified in this Section.

2. Permission. Temporary signs may be placed on private property with the owner's permission. Nothing in this subsection shall prohibit the owner of a piece of property, or his or her authorized representative, from removing a temporary sign from his or her property when the sign has been erected without his or her consent; and provided, further, nothing in this subsection shall prevent the Director, Code Enforcement staff, or other authorized representative of the City from taking action to abate sign violations.

3. Illumination. Temporary signs shall be non-illuminated.

~~FIGURE 17.88.070-2. TEMPORARY SIGN~~



4. Removal. When displayed for a specific event or activity, temporary signs shall be removed within 10 calendar days of the advertised event or activity.

5. Temporary ~~Noncommercial~~ Signs. No person shall remove, destroy, relocate, or otherwise disturb any temporary ~~noncommercial~~ sign, or direct, permit or allow such removal, destruction, relocation, or disturbance, without the permission of the party who erected the sign. It shall be presumed, as to signs for political candidates, that the political candidate or his or her representative is the party who erected the sign. It shall further be presumed that the committee who has registered with the Secretary of State to support a position on a ballot proposition is the party who erected the sign taking the position on the ballot measure.

6. Temporary On-site ~~Commercial~~ Signs. Temporary signs located on the same property as the activity, use, or permit to which they relate may be displayed as follows, regardless of message content: ~~Temporary on-site commercial signs may be displayed as follows:~~

a. Signs Associated With Active Permits. Temporary signs may be displayed during the period that an approved and valid Planning entitlement, Grading Permit, Building Permit, or other City-issued development permit is active for the property. ~~During the period that a valid Grading or Building Permit exists.~~

~~b. For a maximum of 60 calendar days after the issuance of a business license for a new business. A new business may include an existing business under new~~

~~ownership but does not include an existing business under new management. The size of a new business banner utilized pursuant to this Section shall be as allowed under PMC 17.88.100 (Temporary Banner Permit for Commercial and Industrial Properties).~~

b~~c~~. Signs Associated With Seasonal On-Site Sales. Temporary signs may be displayed during seasonal sales of goods or products lawfully produced, offered, or sold on the property. ~~During the seasonal sale of agricultural products lawfully produced on the property.~~

c~~d~~. Signs Associated With Property Availability. One temporary sign per property, or one per commercial center, may be displayed during periods when the property is available for occupancy or use pursuant to a lawful transaction. Temporary banners are not permitted under this subsection. ~~During the period when property is for sale, lease or rent.~~

d~~e~~. Signs Authorized by a Temporary Use Permit or Special Event Permit. Temporary signs may be displayed as part of an approved Temporary Use Permit or Special Event Permit issued pursuant to PMC §17.26.100. The permit number shall be affixed to each temporary sign so as to be readily visible to City inspectors. Any temporary sign not displaying the permit number may be removed by the City. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and disposing of the sign.

e~~d~~. Enforcement. Where written notification has been provided by the City and compliance has not been achieved within 10 days, the City may remove any temporary sign displayed in violation of this Section. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and disposing of the sign.

~~(e)As a part of an approved Temporary Use Permit or Special Event Permit as specified in PMC Section 17.26.100 (Temporary Use and Special Event Permits) for:~~

~~i. Parking lot and sidewalk sales;~~

~~ii. Grand openings and anniversary events;~~

~~iii. Outdoor art and craft shows and exhibits;~~

~~iv. Bazaars, pony rides and festivals;~~

~~v. Mobile health services;~~

~~vi. Christmas tree lots, pumpkin lots, haunted houses, and firework stands; and,~~

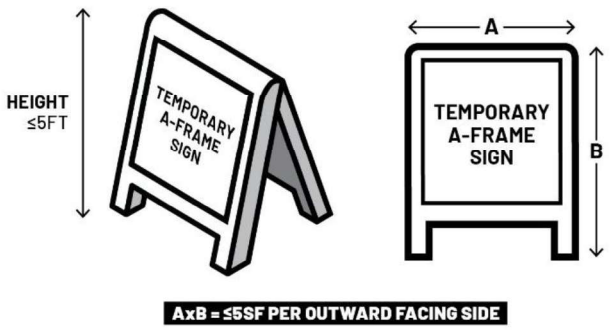
~~vii. Circuses, carnivals, rodeos concerts, shows, or similar enterprises.~~

f~~f~~. Inflatable Displays. Inflatable displays may be approved by the Director for a period of time not to exceed an aggregate total of 45 days per calendar year and 14 consecutive days, and shall only be approved as part of a Special Event or Temporary Use Permit, as provided for in PMC Section 17.26.100 (Temporary Use and Special Event Permits). Inflatable displays shall be securely fastened, ground-mounted and maintained in a good condition. Inflatable displays do not include balloons typically found in retail stores. The permit number of the Temporary Use and Special Event Permit authorizing the use of the inflatable display shall be affixed to the display so as to be readily visible by City inspectors. Any such sign not displaying the permit number shall be removed. Where due written notification has been given by the City and compliance has not been made within 10 days of written notification, the City may cause removal of such signs. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and destroying or otherwise disposing of the sign.

g~~g~~. ~~Temporary on-site commercial signs allowed pursuant to this Section may also display noncommercial messages.~~

7. A-frame Signs. One temporary A-frame or similar impermanent freestanding sign is allowed for any use located within the Mixed-Use ~~z~~Zones and ~~civic center~~ Commercial/Office Zones where pedestrian-oriented use is encouraged. Such signs shall be non-illuminated and not exceed five square feet per side (maximum two sides) and a height of five feet. Signs shall be constructed using a minimum of industrial grade particleboard (or equivalent) and designed with radius edges, unexposed hinges, and feet. Only oil-based paints shall be used for painted signs, which shall be professionally painted. Placement of A-frame signs shall not impede pedestrian or handicap access.

FIGURE 17.88.060~~070~~-2~~3~~. A-FRAME SIGN

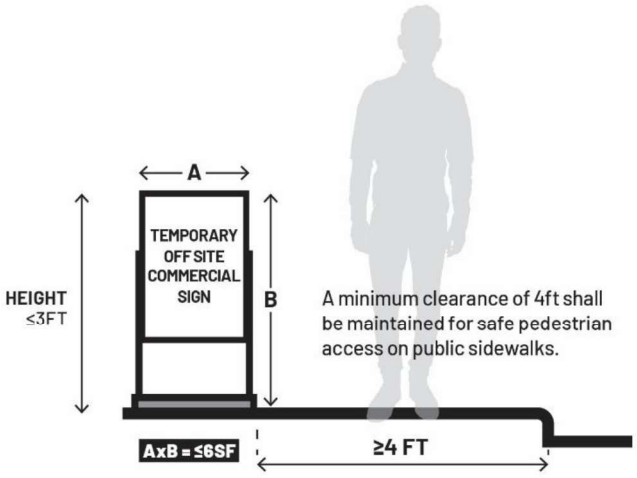


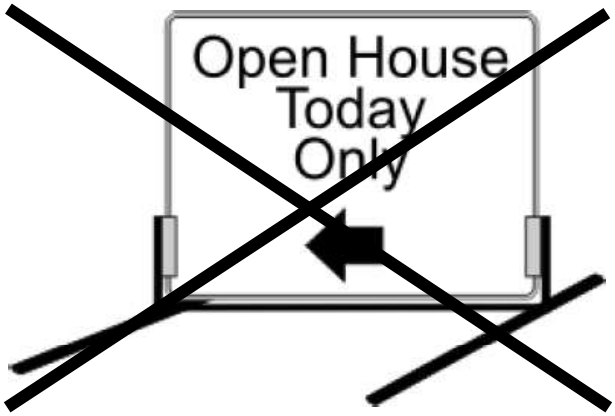


8. Temporary Off-site ~~Commercial~~ Signs. Temporary off-site ~~commercial~~ signs may be displayed in ~~are allowed in the single-family~~ residential zones as follows:

a. Temporary off-site ~~commercial~~ signs shall be freestanding only and shall not be affixed to posts or utility poles or pushed or hammered into the ground. Such signs shall be formed from aluminum or a hard plastic material (or equivalent) pursuant to current industry standards. Cardboard or paper signs are prohibited ~~not allowed~~. Signs shall not exceed six square feet in area and three feet in height. Signs shall be of sufficient weight in order to keep upright and in place. ~~No r~~Reflective paint or day-glo colors shall be prohibited ~~are allowed~~. Signs shall not include balloons, ribbons, pennants, streamers, or other attachments.

FIGURE 17.88.060~~070~~-~~3~~4. TEMPORARY OFF-SITE COMMERCIAL MESSAGE SIGN





~~b. Signs shall not be placed within subdivision landscape easements.~~

b~~c~~. Up to one such sign may be located at any one corner of an intersection provided ~~handicap~~ ADA access is maintained.

c~~d~~. No sign shall be placed upon any private property without first obtaining permission from the owner of such property.

d~~e~~. No sign shall be placed within the public right-of-way without approval of an encroachment permit issued by the City Engineer. A minimum clearance of four feet shall be maintained at all times for safe pedestrian access on public sidewalks. Signs may not be located on center medians or within the public street where vehicles travel. Where the public right-of-way extends into a parkway strip, signs shall be placed so as not to cause damage to landscaping and/or irrigation systems. One or more signs may be approved with an encroachment permit. Signs that do not comply are subject to removal pursuant to PMC §17.88.140~~160~~ (Amortization and Abatement of On and Off-Premise Signs, Sign Programs and Outdoor Advertising Sign Structures).

e~~f~~. Signs may be displayed only during daylight hours on weekends, holidays, and one day during the week.

f~~g~~. Temporary off-site ~~commercial~~ signs allowed pursuant to this Section may also display noncommercial messages.

(L~~M~~)—Window Sign, Permanent. One permanent non-illuminated window sign not exceeding four square feet in area.

~~(N) Window Signs, Temporary. Temporary window signs not exceeding 25 percent of the window area provided visibility into the building is maintained.~~

(M~~O~~) Strand Lights. Strand lights or similar outdoor lighting within areas where people dine or otherwise publicly congregate that is intended as festive ornamentation to be used on a year- round basis.

17.88.070~~080~~ Prohibited Signs

The following signs are prohibited, except as otherwise expressly allowed pursuant to this Chapter:

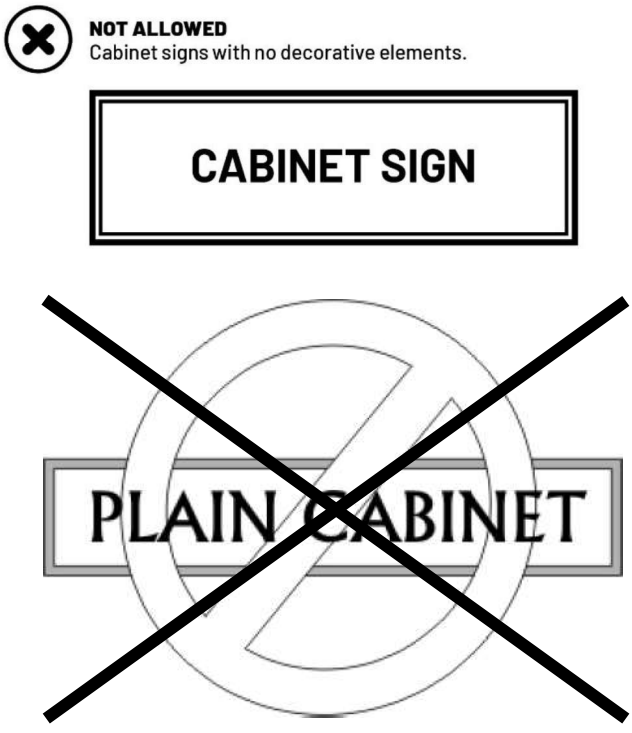
(A) Animated signs.

(B) Balloons or other inflatable, wind activated, or spinning devices that are typically available in retail stores, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

(C) Banner signs as permanent signage; however, temporary banners may be exempt as specified pursuant to PMC §17.88.060~~070~~.K~~L~~.6 (Temporary On-Site ~~Commercial~~ Signs) or allowed pursuant to PMC §17.88.100.A (Temporary Banners ~~Permit for Commercial and Industrial Properties~~).

(D) Cabinet signs with little or no decorative elements.

FIGURE 17.88.070~~080~~-1. PLAIN CABINET SIGN



(E) Paper and c~~C~~ardboard signs exposed to the outdoor elements.

(F) Electronic reader board signs, excluding government signs.

(G) Flags, except as expressly allowed pursuant to this Chapter.

(H) Flashing signs.

(I) Human signs.

(J) Off-site signs, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

~~(K) Paper signs exposed to the outdoor elements.~~

(K~~L~~) Pennants, strings of pennants, or streamers.

(L~~M~~) Portable or A-frame signs, except as allowed pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements).

(M~~N~~) Revolving signs, excluding barber shop poles.

(N~~O~~) Roof signs.

(O~~P~~) Signs that create a safety hazard by obstructing the clear view of pedestrian and vehicular traffic.

(P~~Q~~) Signs that display a message, graphic representation, or other image that is obscene as that term is defined in Section 311 of the Penal Code.

(Q~~R~~) Signs, which by their color, design, location, or illustration resemble, distract attention from, or conflict with any traffic control device.

(R~~S~~) Signs within the public right-of-way or upon public property (except where approved or required by a government agency and exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements)), including, but not limited to, any notice, placard, bill, card, poster, sticker, banner, sign, advertising, or other device affixed or attached to or upon any public street, walkway, crosswalk, or other right-of-way, curb, lamp post, hydrant, tree, telephone ~~booth or~~ pole, lighting system, or any fixture of the police or fire alarm system.

(S) Mobile Billboards. Any vehicle, trailer, or wheeled conveyance that carries, displays, or supports a sign and is positioned or used for the primary purpose of displaying signage visible from a public right-of-way is prohibited. This prohibition eliminates mobile billboard advertising within the City to reduce traffic congestion, promote the safe movement of vehicular traffic, to reduce air pollution, and improve the aesthetic appearance of the City. This prohibition does not apply to displays on vehicles

exempted pursuant to PMC §17.88.060 (Exemptions to Sign Permit Requirements), public safety and public transit/public carrier graphics on properly licensed buses, taxicabs, and similar vehicles for hire that legally pass through the City.

(T) Signs Mounted on Vehicles. No person shall park any vehicle on a public right-of-way or in a location on a private property that is visible from a public right-of-way, which has attached thereto or suspended therefrom any sign, except as exempted pursuant to PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements). This Section shall not preclude the display of bumper stickers.

17.88.080~~090~~ General Development Standards

The following general provisions are applicable to all signs and sign structures regulated by this Chapter, excluding signs within sign programs or Specific Plans. These general provisions apply in addition to any specific standards in this Chapter.

(A) Sign Area. Unless otherwise specified in this Chapter, the maximum allowed sign area for signs shall be calculated based on the acreage and frontage of a property and/or the length of the building elevation upon which the sign is to be attached. Wall signs for multiple tenant buildings shall be based upon the lineal building frontage occupied by each tenant as specified by the zone.

(B) Locational Criteria. All signs shall be subject to all applicable standards for the zone in which the proposed sign is to be located, pursuant to PMC §17.88.090~~100~~ (Temporary Banner Permit for Commercial and Industrial Properties) through 17.88.100~~120~~ (Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones). Unless otherwise expressly provided in this Chapter, no sign shall be erected or used for business purposes of any kind, except such sign(s) as shall be located on the site of the place of business, enterprise, or calling which is reasonably related to the products or services available on or within those premises. Sign location shall not obstruct motorists' visibility by considering driveway placement, long-term growth of landscaping, and adjacent and/or future development. No signs may be located in or adjacent to the public right-of-way, or private drive aisle or driveway in such a manner that it obstructs the clear view of pedestrians and/or vehicular traffic or constructed so as to obstruct any window, door, fire escape, or other emergency exit of any building. In addition, the following additional location criteria shall be maintained:

1. Wall-mounted signs shall not project above the parapet, canopy, fascia, wall, or roofline to which they are attached.

2. Freestanding signs shall not block visibility of motorists in order to maintain traffic safety, or from outdoor seating areas to preserve views. Freestanding signs shall not be placed in such a manner that obstructs any portion of a traffic control device as regulated by the California Manual on Uniform Traffic Control Devices, as

viewed by a driver, pedestrian, or bicyclist, as is appropriate for the type of device. Freestanding signs shall be set back and spaced along street frontages as specified in this Chapter.

3. Except where approved or required by a government agency or as otherwise expressly allowed pursuant to this Chapter, no sign may be stuck, glued, painted, pasted, posted, nailed, stapled or otherwise affixed or attached to or upon any public street, walkway, cross walk or other right of way, curb, lamp post, transit bench or shelter, trash receptacle, fire hydrant, tree, telephone ~~booth or~~ pole, lighting system or any fixture of the police or fire alarm system, any existing sign, or upon any other public property.

(C) Setbacks. All freestanding signs shall be set back a minimum of one foot from the public right-of-way

(D) Orientation. On-site signs shall be oriented so as not to create confusion and shall be visible to pedestrians, motorists and/or other passersby from the front, side, or rear of the building to which it is intended~~; however, wall signs located within commercial or industrial zones shall not face directly onto residentially designated property~~.

(E) Methods of Attachment.

1. Wall signs shall be attached to the sides of structures with fasteners that are either concealed from clear view or treated to match the building.

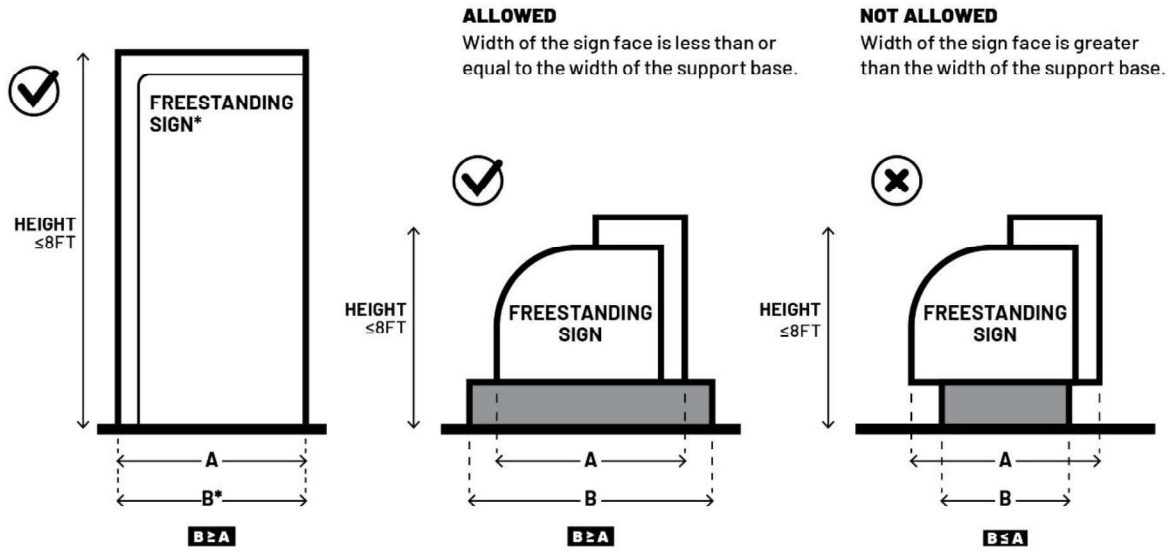
2. Projecting signs shall utilize decorative methods of attachment in instances where their visibility cannot reasonably be concealed.

3. Freestanding signs.

a. Freestanding signs eight feet or less in height shall be secured to the ground utilizing a solid support base that is a minimum width of the sign face and consisting of solid materials such as concrete, block, stone, or brick~~ rather than poles with veneer covers~~.

b. Unless specifically approved under a Sign Program, freestanding signs more than eight feet in height shall be secured to the ground using a support base whose width is at least 1/3 the width of the sign face. The support base may consist of multiple columns; however, the cumulative total width of the columns must equal at least 1/3 the width of the sign face.

FIGURE 17.88.080-1 METHOD OF ATTACHMENT-FREESTANDING SIGN 8 FEET OR LESS IN HEIGHT

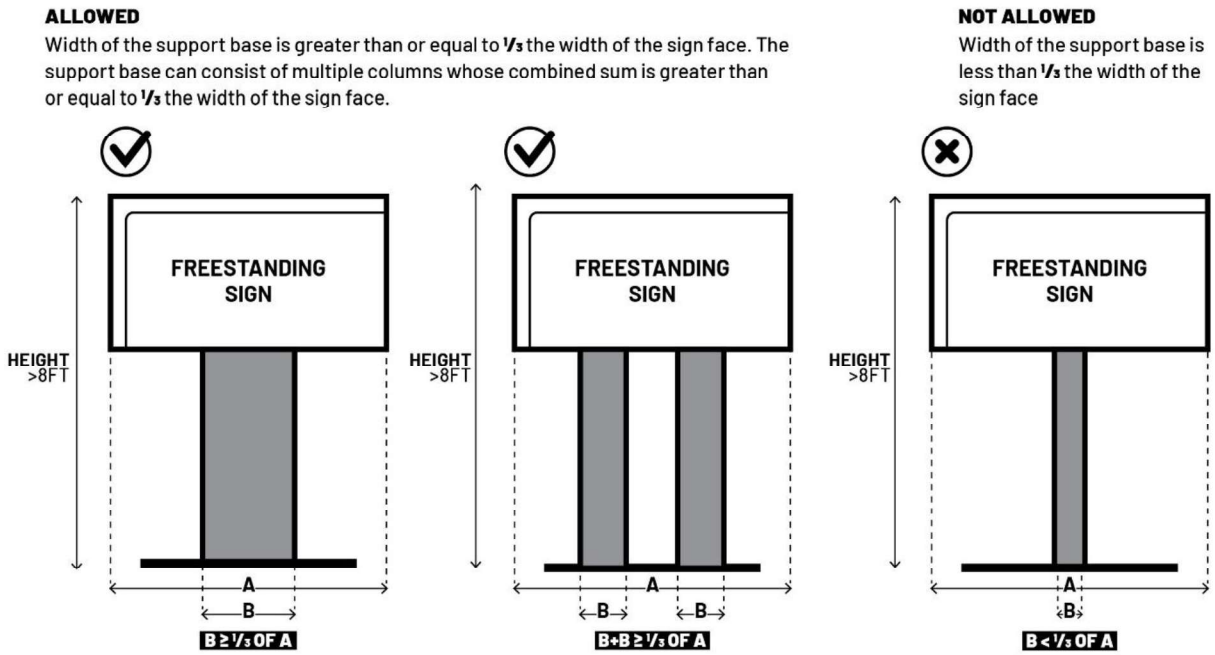


A = width of sign face

B = width of support base

**In this instance the width of the sign face and support base are equal because the support base is integrated into the sign face.*

FIGURE 17.88.080-2 METHOD OF ATTACHMENT-FREESTANDING SIGN MORE THAN 8 FEET IN HEIGHT



A = width of sign face **B = width of support base**

(F) Design. Signs and sign structures shall be professionally designed, pursuant to industry standards, and clearly understood for their intended purpose. Signs shall incorporate a classic style that will not quickly become outdated. On-site freestanding signs adjacent to the roadway shall be designed to include break-away features that are forgiving and crash-worthy. Signs shall not be designed to mimic traffic control devices, traffic warning devices, traffic regulating or directional way-finding signs. In addition, the following additional criteria of design shall be incorporated into new signs:

1. Wall signs

a. Wall signs shall consist of one of the following types of signs:

FIGURE 17.88.080~~090~~-3~~1~~ CHANNEL LETTER SIGN



FIGURE 17.88. 080-4~~090-2~~ CONTOUR SIGN



FIGURE 17.88. 080~~090~~-5~~3~~ CABINET SIGN



FIGURE 17.88. 080~~090~~-6~~4~~ PRINTED SIGN



i. Individual raised letters or symbols (channel letter);

ii. Custom contour enclosure; ~~or~~

iii. Acrylic signs; or

iv. Professionally custom painted.

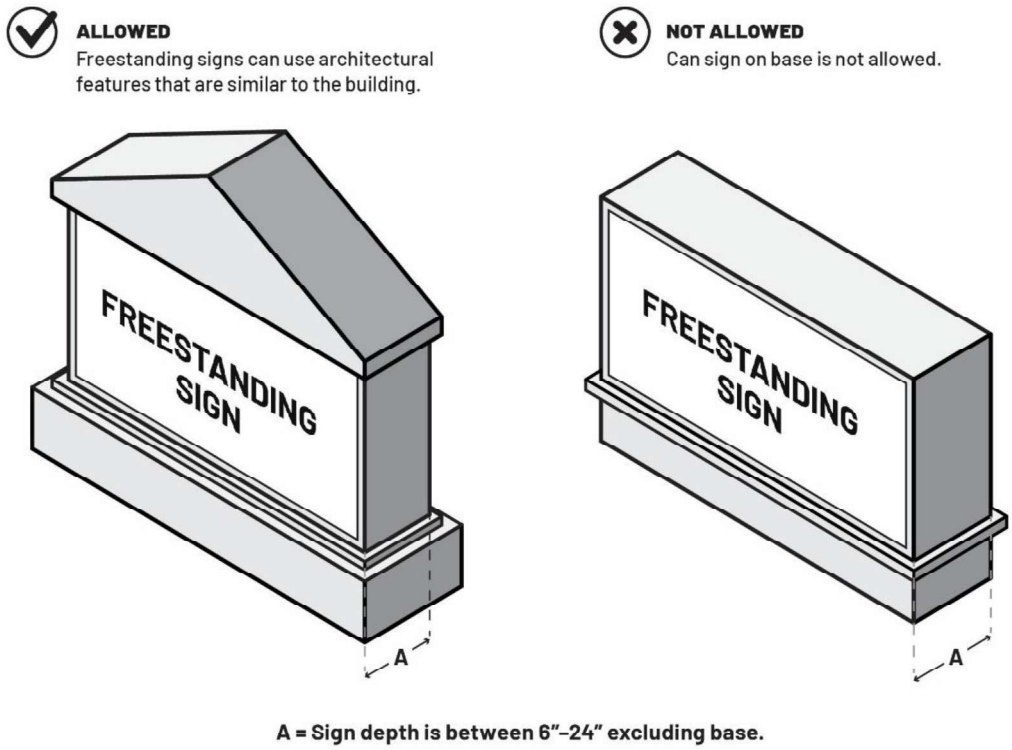
b. Signs attached to buildings shall project no less than one inch and no more than 18 inches from the structure.

2. On-Site Freestanding Sign Structures

a. Signs shall be architecturally integrated into the overall development of the site with respect to color, material, and design~~, except that pole signs may utilize metal for the sign structure regardless of building materials on site~~.

b. Minor architectural features such as cornices, roof pitches and archways, which are similar to those of the building(s) shall be incorporated into the design of the sign structure. Such features may increase the allowable size of structures by 25 percent, exclusive of sign face and base. Freestanding can signs with no architectural features are not allowed.

FIGURE 17.88.080~~090~~-7~~5~~ ARCHITECTURALLY TREATED FREESTANDING SIGN





c. The shape or appearance of freestanding signs shall not depict inanimate objects, animals or human beings.

d. The depth of sign structures shall be a minimum of six (6) inches and a maximum of 24 inches, exclusive of the base. Sign structures exceeding 24 inches in depth may be considered provided the total sign area allowed for a double-faced sign is not exceeded and the sign structure meets all other criteria for approval.

e. Panel inserts for multi-tenant freestanding sign structures shall be uniform in color and typeface.

(G) Substitutions

1. Marquee signs may be substituted for wall or freestanding sign structures pursuant to the definition of a marquee sign pursuant to PMC §17.88.030 (Definitions).

2. Projecting signs may be used in place of wall signs provided they do not exceed one-half of the allowable wall sign area and the sign meets all other provisions in this Section.

3. Canopy/awning signs may be allowed in place of or in addition to wall signs as specified in Subsection (NO) of this Section (Canopy/Awning Signs).

(H) Construction. All signs and sign structures shall be professionally constructed pursuant to industry standards. All parts, portions, units, and materials, comprising all signs, together with the frame, background, supports, or anchorage for all sign structures, shall be manufactured, fabricated, assembled, constructed, and erected pursuant to all applicable Federal, State, County, and City laws and standards.

(I) Materials. Construction materials for all components of signs shall consist of durable, long- lasting materials that hold up to the extremes inherent in Palmdale's desert environment, including heat, cold and wind for long-term durability, as well as damage caused by nesting birds and other environmental constraints of the region. Individual foam letters shall be covered with a solid material to prevent damage by birds, sun, and harsh weather.

(J) Colors. Earth tones and subdued colors such as maroon, brown, tan, gray, peach, cream, or white shall be used for the sign face or sign structure. Primary colors such as red, green, blue, yellow, orange, purple, pink, and black may be used for letters, symbols, graphics, or minor accents; however, except in the case of temporary signs, such colors shall not be used for the sign face or sign structure. Day-glo colors may only be used as minor accents to the overall sign. Reflective paint is not allowed.

(K) Illumination. The City has a compelling interest in promoting traffic safety for pedestrians and motorists. To achieve this interest, it is necessary to minimize excessive lighting of signs that may distract pedestrians and motorists or produce hazardous light and glare into the eyes of motorists, and to do so by conditioning the type and intensity of the lighting and its appropriateness for the planned location and orientation of the sign. In addition, no sign shall be illuminated in such a way that mimics a traffic signal or traffic control device.

The method of illumination for all types of signs is an important design element. However, the intensity or glare of the illumination may cause a visual distraction, safety hazard or public nuisance. The Director shall determine any required measures necessary to reduce possible negative impacts on adjacent structures, roadways, or surrounding land uses. New light fixtures added to the exterior of an existing building for the purpose of sign illumination shall be subject to the specifications of PMC §17.86.030 (Outdoor Lighting). Any sign that requires approval of an electrical building permit shall utilize only approved electrical components that are properly listed and tested by an acceptable testing agency and approved by the City's Building Official. No illuminated sign or lighting device shall

be placed or directed so as to permit or cause glare or reflection which may constitute a traffic or safety hazard or interfere with the use and enjoyment of a public street, walkway, or adjacent properties by having a blinding effect on residents, motorists, or pedestrians, preventing safe illumination of sidewalks, streets, or drive aisles, or by negatively impacting illumination levels on adjacent properties.

(L) Flags. Flags shall consist of fabric or similar flexible material that is designed to hang from a pole and blow in the wind. Plastic or other materials that produce more noise than fabric are prohibited for use as flags. Such flags shall be replaced when ripped, tattered, and/or faded or other wear is evident as determined by the Director.

~~(M) Neon Signs. Neon signs as defined by this Chapter are allowed only in the commercial/office zones, subject to PMC §17.88.040(C) (Criteria for Approval) and Subsection (K) of this Section (Illumination).~~

(M~~N~~) Painted Signs. Painted signs may be allowed as permanent wall signs and shall be professionally painted only. Such signs may be externally illuminated with decorative light fixtures within commercial zones subject to Subsection (K) of this Section (Illumination). As allowed by the zone, signs may be painted directly on structures or on industrial grade particleboard (minimum, or equivalent) with radius edges. Only oil-based paints (or equivalent) shall be utilized for painted signs.

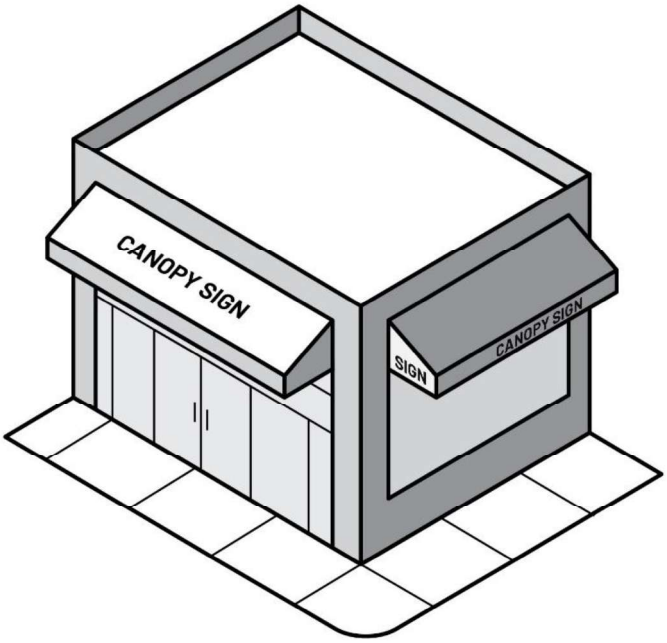
FIGURE 17.88.080~~090~~-8~~6~~. PAINTED SIGNS

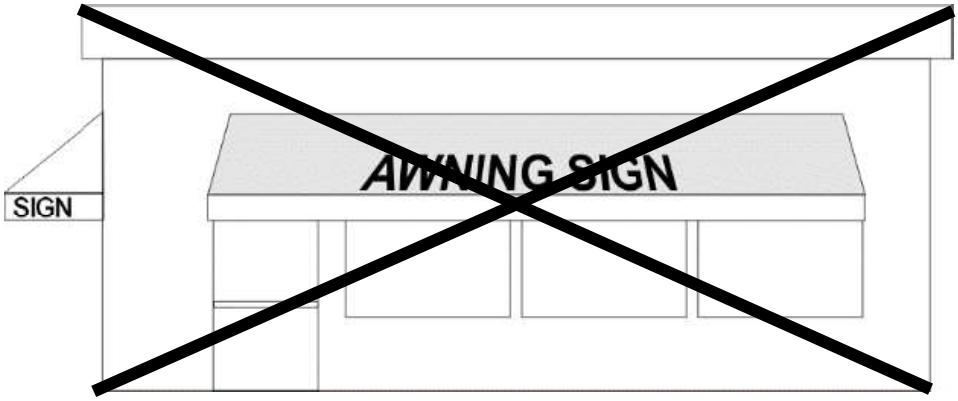




(N~~O~~) Canopy/Awning Signs. Canopy/Awning ~~and awning~~ signs are intended to be visible to pedestrians and/or from nearby parking areas and on-site circulation drives. Canopy/Awning signs are allowed within a shopping center where canopies or awnings are uniformly used within the shopping center or for a single tenant if the tenant is occupying an entire parcel and does not share space in a shopping center, as follows:

FIGURE 17.88.080~~090~~-9~~7~~. CANOPY/AWNING SIGN





1. The total combined area for wall and canopy/awning signs shall not exceed the allowable wall sign area allowed for the face of the building;

2. Canopy/Awning signs may be located on the front or side panels of angled, curved or box canopies or awnings or on the bottom flap (valance) of the canopy or awning;

3. Canopy/Awning signs shall not consist of more than a single line of copy or symbols; and,

4. The size of the sign shall not exceed 75 percent of any one dimension of the canopy or awning.

(O~~P~~) Maintenance. The following maintenance standards shall apply to all signs:

1. Every sign and all parts, portions, units, and materials comprising the same, together with the frame, background, supports, or anchorage thereof, shall be continuously maintained in a safe, structurally sound, neatly painted, graffiti-free, and well-repaired condition; and,

2. Signs illuminated either internally or externally shall be capable of being fully illuminated and legible and the face(s) shall be intact without holes or other exterior facial damage. Illuminated signs that are damaged or have defective lighting elements shall remain unlighted until repaired.

~~**17.88.100 Temporary Banner Permit for Commercial and Industrial Properties**~~

~~The following provisions are applicable to all banners regulated pursuant to this Section. The provisions are intended to permit the greatest flexibility possible in terms of business signage, while maintaining an orderly and attractive business environment within the City's commercial and industrial areas.~~

~~(A) Permit Process and Fees for Temporary Banners~~

1. The applicant shall be responsible for obtaining all required building permits from the Building and Safety Division associated with the installation of the banner.

2. A Temporary Banner Permit shall be obtained for the use of banners at a business location. In evaluating permit applications, staff will review zoning, location, size, method of attachment, and conformance with this Section and any other applicable standards.

3. The Temporary Banner Permit application shall include the applicant's authorized leasing agent name, signature, and telephone number.

4. Applicants shall pay an annual Temporary Banner Permit fee and annual inspection fees as established by the fee resolution approved by the City.

(B) Zones. Banners will be allowed in all commercial/office and industrial zones and commercial/office and industrial designated properties within Specific Plan areas.

1. Use. Banners may be used for all general business purposes, provided that banners may not be utilized as the sole source of business identification. In order to ensure that banners are not used for primary business identification, any business applying for a banner permit shall have permanent signage on the building that has been legally established.

(C) Noncommercial banners shall be allowed pursuant to this Section to the same extent commercial banners are allowed.

(D) Design Standards. The banner shall be constructed of high quality, durable material capable of withstanding the severe local weather conditions. The banner shall be professionally designed and manufactured. No handwriting on blank banners or erasable banner material and design shall be allowed.

(E) Types of Banners

1. Wall-Mounted. Standards for wall-mounted banners are provided within PMC Section 17.88.120 (Signs in Non-Residential and Mixed-Use Zones).

2. Ground-Mounted Banners. Standards for ground-mounted banners are provided within PMC Section 17.88.120 (Signs in Non-Residential and Mixed-Use Zones).

(F) Any banner legally established pursuant to this Section shall be maintained by the applicant. When wear and tear is observed by any employee of the City and upon notification to the applicant, required work to restore or replace the worn banner shall be performed to the satisfaction of the Director within 14 days. Failure to comply with this provision may result in revocation of the permit for the temporary banner.

~~(G) The Director shall give written notice to the applicant regarding any violations of the provisions of this Section. Within 14 days of receipt of the notice, the violation shall be corrected or remedied to the satisfaction of the Director. Failure to pay fees, or noncompliance with the standards, procedures, and conditions set forth in this Section shall be cause for revocation of the temporary banner permit and removal of the banner. Materially inaccurate or erroneous information submitted as a part of a Temporary Banner Permit application may be cause for revocation of the permit.~~

17.88.090~~110~~ Signs in Residential Zones

In addition to temporary signs identified in PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements), the following signs are allowed in residential zones subject to approval of a sign permit:

Table 17.88.090~~110~~-1. Allowed Signs in Residential Zones

Sign Type	Maximum Number	Maximum Sign Area	Maximum Height Including Base	Remarks
Wall	No limit: combined area of signs shall not exceed the maximum allowed sign area	1 ½ sf of sign area per lineal foot of building frontage	N/A	Signs may be internally illuminated only, subject to PMC §17.88.080~~090~~.K (Illumination).
~~Monument~~ Freestanding	1 per public entrance, up to 2 signs total	30 sf	5 ft	Signs may be internally illuminated only, subject to PMC §17.88.080~~090~~.K (Illumination).
~~Directional~~	~~1 per public entrance, up to 4 signs total~~	~~16 sf~~	~~5 ft~~	~~Signs shall not be illuminated.~~
Temporary ~~freestanding banner (teardrop, feather, bowhead, etc.)~~	1 freestanding sign per frontage; 2 per model home	60 sf per single face for freestanding signs and 15 sf for flags	10 ft for free-standing signs and 15 ft for flags	Signs shall not be illuminated. Flags shall not be within 50 ft of an occupied residence.

17.88.100~~120~~ Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones.

In addition to temporary signs identified in PMC §17.88.060~~070~~ (Exemptions to Sign Permit Requirements), the following signs may be allowed in ~~commercial, industrial, mixed-use or public facility~~ zones other than Residential Zones (i.e., Mixed-Use, Commercial/Office, Industrial, and Special Purpose Zones (see Table 17.14.010-1. List of Zones)), subject to approval of a sign permit:

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
Wall signs, secondary skyline signs or canopy/awning signs	No limit: combined area of signs shall not exceed the maximum allowed sign area	1 ½ sf of sign area per lineal foot of building frontage	N/A	Secondary skyline signs are subject to PMC §17.88.120~~140~~ (Skyline Signs); externally lighted signs are subject to PMC §17.88.080~~090~~.K (Illumination); canopy/awning signs are subject to PMC §17.88.080~~090~~.N~~O~~ (Canopy/Awning Signs).
Skyline signs[2]	1 per allowable elevation; up to 2 signs total on opposite sides of the building	1 sf of sign area per lineal foot of building frontage	N/A	Skyline signs subject to PMC §17.88.120~~140~~ (Skyline Signs) are in addition to secondary skyline signs. Shall be compatible with the building surface and shall complement the aesthetics of the development. Shall consist of a single line of copy/symbol unless approved by the Director due to building architecture prohibiting placement of a single line of copy. May be halo sign or internally illuminated.
~~Monument~~ Freestanding signs	1 sign for every 250 feet of street frontage	For industrial zones:		
		< 10 acres: 30 sf	5 ft	
		> 10 acres: 50 sf	8 ft	
		For nonindustrial zones		
		< 10 acres: 50 sf	8 ft	
		> 10 acres: 100 sf	12 ft	

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
	1 sign per development (in addition to the freestanding sign allowance above)	100 sf	30 ft maximum Sign copy shall be located between 10 and 30 feet above the ground.	Only allowed within property designated as Regional Commercial: Minimum 10-foot clearance above walkways and drive aisles. Signs may be internally illuminated only, subject to PMC §17.88.080.K (Illumination). Shall maintain a minimum distance separation of 50 ft from residentially designated property or existing residential development.
Under-canopy signs	1 per tenant	5 sf	N/A	Minimum 8-foot clearance above walkways.
Temporary Wall-mounted ~~banner~~[3]	1 per frontage except facing residential uses	1 sf of area per lineal foot of frontage	N/A	Shall be mounted flat against the wall using permanent anchors. Banners shall not be mounted using wire, rope, cables, bungee cords or similar devices.

Table 17.88.100~~120~~-1. Allowed Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones				
Sign Type	**Maximum Number**	**Maximum Sign Area**	**Max. Height[1]**	**Remarks**
Temporary Freestanding ~~banner (teardrop, feather, bowhead, etc.)~~	1 per business	42 sf	12 ft	Minimum clearance of 5 ft from edge of right-of-way~~, except when located within the Mixed-Use zones to PMC §17.88.070.L (Temporary Signs)~~. Shall not impede pedestrian or handicap access. Shall not obstruct clear view of pedestrians and/or vehicular traffic. No off-site banners are allowed. Signs shall not be illuminated.
~~Pole signs4~~	~~1 per development~~	~~100 sf~~	~~10-ft minimum clearance height and 30-ft maximum~~	~~Signs may be internally illuminated only, subject to PMC Section17.88.090.K (Illumination). Shall maintain a minimum distance separation of 50 ft from residentially designated property or existing residential development.~~

Notes:

1. Grade changes by mounding within landscape areas less than 3:1 slope shall be counted in calculation of sign height; maximum height includes the base.

2. This applies to buildings with three or more stories, pursuant to PMC §17.88.120~~140~~ (Skyline Signs).

3. Not allowed within 50 feet of an occupied residence.

~~4. Only allowed within the Regional Commercial zone.~~

17.88.110~~130~~ Government Signs

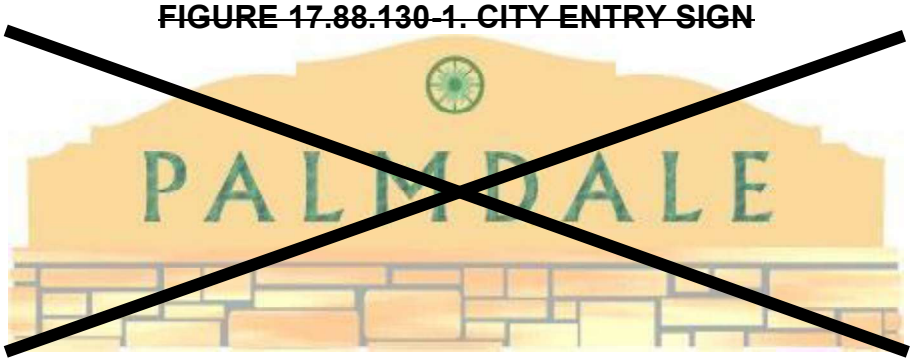
The City has a compelling interest in making the City attractive to residents, visitors, and business owners and in protecting and improving economic vitality, protecting, and enhancing aesthetic character, and promoting traffic safety in, through, and around areas that have a concentration of public facilities and structures. To accomplish these interests, the City finds it necessary to establish certain classes of government signs, to limit their content and to provide a public convenience by directing motorists and pedestrians to various locations throughout the City.

This Government Sign Section consists of signs that are uniform in design, which provide the community with a sense of place and a distinct identity. Signs constructed as a part of this Section shall be allowed without the requirement of a sign permit in all zones, except that electronic reader boards and digital advertising displays are not allowed in residential zones. Government signs shall be erected by the City, a public agency, or by any person authorized by the City ~~resolution~~ to erect such signage. This Section shall be applicable to the following types of signs:

(A) Civic Center Plaza. Roadway signs may be installed on streets leading to the Civic Center and surrounding public parking areas.

(B) City Entry Signs. Freeway and roadway monument signs may be installed on major thoroughfares near City limits in varying size. ~~Such signs shall be constructed of integral concrete monolith and stone base with lettering to be cast into the concrete with color infill.~~

~~**FIGURE 17.88.130-1. CITY ENTRY SIGN**~~



(C) City Roadway/Street Signage. Street name signs may be installed on streets throughout the City.

(D) Light Pole Banners. Banners may be placed on light poles along major thoroughfares and/or surrounding the Civic Center during various seasons of the year or for City-sponsored events.

(E) City Kiosk Signs. City kiosk signs are permissible in all zones except ~~those that are r~~Residential Zones. City kiosk signs are subject to the development standards for ~~monument and on-site~~ freestanding sign structures contained in PMC §17.88.100~~120~~ (Signs in ~~Non-Residential and Mixed-Use~~ Zones Other Than Residential Zones).

(F) Digital Advertising Display (DAD). Government signs that are considered DADs are not required to be installed pursuant to a Billboard Relocation Agreement and are permissible in all zones except residential. Government signage DADs are subject to the following standards:

1. Sign Area. The maximum sign area of a single-face DAD is 675 square feet and 1,350 square feet for a double-face DAD.

2. Sign Height. The maximum sign height is 40 feet; however, a DAD located immediately adjacent to State Route 14 may be modified if it can be demonstrated that compliance with the 40 foot height limit would impair visibility for a portion of the sign face. Increased height shall only be allowed to the extent necessary to allow reasonable view of the sign face.

3. A DAD may only display a series of still images, each of which is displayed for a minimum of six seconds and transitions between images shall not exceed one second. No DAD shall depict or simulate any motion or video, or have flashing, chasing, or twinkling lights.

4. Each DAD shall include a photometric sensor that will adjust the intensity of the sign for daytime and nighttime viewing. The intensity from sunset to sunrise shall be limited to 150 nits. The City may modify or further restrict the intensity of any DAD should the lighting create a distraction to drivers or an adverse effect on nearby residential properties.

5. In addition to complying with the other standards set forth in this Section, any DAD located within 660 feet of a state highway shall also comply with the standards of the California Outdoor Advertising Act (Chapter 2 of Division 3 of the California Business and Professions Code beginning at Section 5400), including, but not limited to, the restrictions on size, height, proximity to interstate and primary highways and landscaped freeways. To the extent any conflict arises between this Section and the Outdoor Advertising Act, the Outdoor Advertising Act shall prevail.

(G) Electronic Reader Boards. Government signs that are considered electronic reader boards are permissible in all zones except residential ~~and are subject to the development standards for monument and on-site freestanding sign structures contained in PMC §17.88.120 (Signs in Non-Residential and Mixed-Use Zones)~~.

(H~~1~~) General Standards for Government Signs

1~~a~~. For purposes of this Section, “street intersection” shall mean where two or more streets or roads cross at the same grade. This shall include all streets and roads with a right-of-way of 100 feet or larger.

2~~b~~. Signs may be constructed on improved or unimproved property along Regional and Crosstown streets provided they are located on private property with the owner’s written permission or within the public right-of-way with approval of an encroachment permit. Regional and Crosstown streets shall consist of those designated on the General Plan Circulation Map.

3~~c~~. Signs shall not obstruct the use of sidewalks, walkways, bike, and hiking trails and shall not obstruct the visibility to motorists and pedestrians of traffic control signs.

4~~d~~. Signs shall be limited to no more than three structures on the same side of the street between major intersections and shall not be located within 100 feet of another freestanding sign structure.

5~~e~~. Sign structure installations shall include “breakaway” design features.

6~~f~~. No signs, pennants, flags or other devices for visual attention or other appurtenances shall be placed on government signs.

7~~g~~. The design of all government signs shall be consistent throughout the City.

8~~h~~. Sign lettering used for identification panels shall be uniform in style and size.

17.88.120~~140~~ Skyline Signs

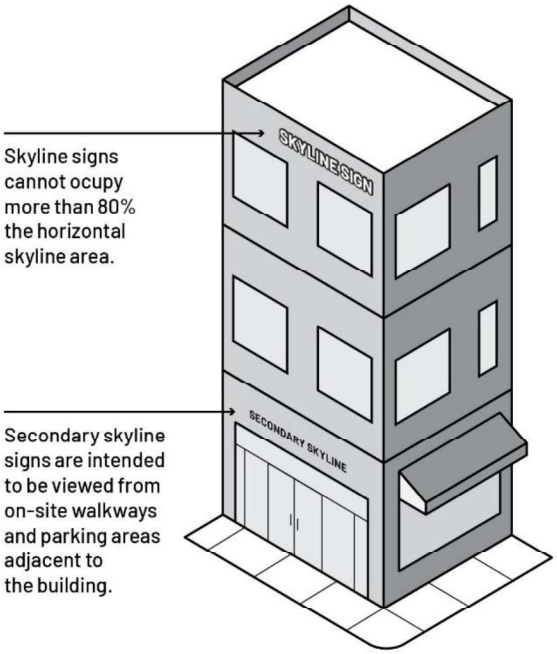
Skyline signs shall consist of wall signs that are placed on structures of three stories or more. Signs on tall buildings can have a significant visual influence upon the community’s environment; therefore, they should be consistent with the architectural style of the building. The approval of skyline signs shall be subject to PMC §17.88.040 (Sign Permit Requirements and Procedures) and to the following standards:

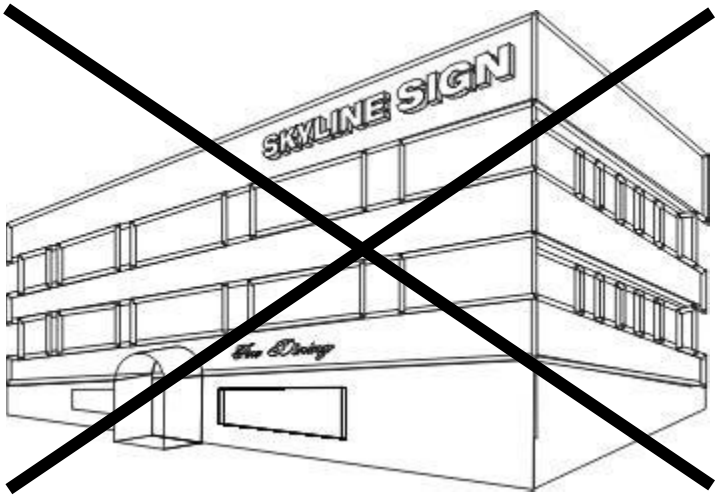
(A) Skyline Signs

1. Placement. Skyline signs shall be placed above the vision glass windows of the highest floor of the building and below the eave line pursuant to the provisions for signs within the zone. In conventional high-rise design, a sizeable area is generally available for signs above the vision glass of the highest floor. Skyline signs shall not be located on any building elevation in vertical (stacked) alignment and shall be separated by a horizontal dimension of not less than 40 percent of the linear

dimension of the subject elevation. For buildings with articulated roofs, a more flexible definition is appropriate. In such cases, signs are to be integrated visually with architectural features such as windows, projections, and articulating elements.

FIGURE 17.88.120~~140~~-1. SKYLINE SIGN PLACEMENT AND PROPORTION





2. Proportion of Sign Area. To avoid the appearance of crowding a sign into a sign area, sign copy shall occupy no more than 80 percent of the horizontal skyline sign area as defined by this Section. Additionally, no part of a sign can be located within the extreme left or right 10 percent of the building elevation.

(B) Secondary Skyline Signs

1. Placement. Secondary skyline signs shall be allowed below the second floor, except that, if the building has a two-story lobby, secondary skyline tenant signs are allowed between the second and third floors above such lobby. An individual tenant may have no more than one sign per building elevation. Secondary skyline signs shall not be located on any building elevation in vertical (stacked) alignment and shall be separated by a horizontal dimension of not less than 15 percent of the linear dimension of the subject elevation.

2. Locational Criteria. Secondary skyline signs are intended to be viewed from on-site walkways and parking areas adjacent to the building.

(C) Retail, Service Business, and Restaurant Uses Located within Structures of Three or More Stories. In addition to secondary skyline signs described in Subsection (B) of this Section (Secondary Skyline Signs), retail uses, service business uses, or restaurants located within an office building containing three or more stories may be allowed signs as specified in this Chapter and may appear on the same building elevation as and be included in the same total sign area calculation and placement as secondary skyline signs. Such signs shall be located at or adjacent to the entrance of the building and individual tenants shall be allowed no more than one sign per elevation.

17.88.130~~150~~ Outdoor Advertising Sign Structures (Billboards)

(A) Permits and Review Process

1. Permits Required

a. No outdoor advertising sign structure shall be constructed, relocated, or upgraded at any location in the City without obtaining a Conditional Use Permit subject to the provisions of this Section, and any other permits required by law.

b. Other Permits. Nothing in this Chapter shall exempt the applicant from obtaining any other required approval including, but not limited to, any permits required by the State of California.

2. Review Process. A Conditional Use Permit shall be required, pursuant to the provisions of this Chapter and PMC Chapter 17.22 (Conditional Use Permits) for any construction, upgrade, or relocation of outdoor advertising sign structures. The Planning Commission shall approve the Conditional Use Permit if the Commission finds that such application satisfies the standards set forth in Subsection (A)(3) of this Section (Findings for Approval), or the Planning Commission shall deny the application, in which case the applicant shall be notified in writing of the reason(s)

why the application was denied. All decisions of the Planning Commission may be appealed pursuant to PMC §17.20.110 (Appeal Procedures).

3. Findings for Approval. No Conditional Use Permit for an outdoor advertising sign structure shall be issued unless the Planning Commission finds that the application satisfies, or with conditions can satisfy, all of the following standards:

a. The proposed sign meets all of the findings for approval of a Conditional Use Permit as set forth in PMC §17.22.050 (Approval Requirements and Conditions);

b. The proposed sign meets the locational criteria for outdoor advertising sign structures, pursuant to Subsection (B) of this Section (Locational Criteria);

c. The proposed outdoor advertising sign structure meets all of the development standards as specified in Subsection (C) (Development Standards) or Subsection (E) (Outdoor Advertising Sign Structures Subject to a Billboard Relocation Agreement) of this Section;

d. The outdoor advertising sign structure is oriented to attract the attention/patronage of the general public, taking into consideration long-term growth of landscaping and future projects; and,

e. The outdoor advertising sign structure is in compliance with all applicable Federal, State, and City laws and regulations pertaining to the construction of outdoor advertising sign structures.

(B) Locational Criteria. Outdoor advertising sign structures shall be limited to placement on improved properties with habitable structures only, subject to the following restrictions:

1. No outdoor advertising sign structure shall be located within the area bounded by 20th Street West to the west, Avenue N to the north, Sierra Highway to the east and Palmdale Boulevard to the south.

2. There shall be no more than four outdoor advertising sign structures, including existing outdoor advertising sign structures, located within the area bounded by the extension of Avenue N-12 to the north, Rancho Vista Boulevard to the south, Sierra Highway to the west and an imaginary line 100 feet of the easterly Southern Pacific property line to the east.

3. No additional outdoor advertising sign structures shall be constructed, relocated, or upgraded except when located in the industrial zones.

4. No additional outdoor advertising sign structures shall be constructed on properties within 660 feet of Palmdale Boulevard.

5. The outdoor advertising sign structure shall be no closer than a radius of 500 feet to any premises designated or zoned for residential purposes, or to any premises containing a school, religious institution, or similar place of worship, historical site or building, cemetery, or similar place of interment, public or private park or outdoor recreational facility.

6. The outdoor advertising sign structure shall be no closer than a radius of 1,500 feet to a previously constructed off-premise outdoor advertising sign structure.

7. An outdoor advertising structure may be approved in a location other than specifically identified or excluded in Subsections (B)(1) through (B)(5) of this Section, including within an adopted Specific Plan area, when a Conditional Use Permit is approved in conjunction with a billboard relocation agreement pursuant to Subsection (D) of this Section (Billboard Relocation Agreement), but in no event shall be located within a residential zone.

(C) Development Standards. All outdoor advertising sign structures shall comply with the following standards:

1. Sign Area. The total area of a single sign face shall not exceed 300 square feet. The total area of a double-faced sign shall not exceed 600 square feet. Not more than five percent of the area of a sign face shall be used for projections.

2. Height. The outdoor advertising sign structure shall not exceed 32 feet in height measured from the ground level.

3. Setbacks. The sign shall comply with all setback standards of the underlying zone. It shall be located no closer than 10 feet to any property line. No materials or structural feature, except poles or pilasters, shall extend into the cross-visibility area between ground level and seven feet above the grade of the nearest street curb. No portion of the sign shall block the view of any on-site advertising sign on the same or adjoining parcels.

4. Construction. The outdoor advertising sign structure shall be built to withstand a minimum wind pressure of 21 pounds per square foot of exposed surface.

5. Design. The outdoor advertising sign structure shall not be supported by more than one supporting post. It shall be architecturally treated so as to screen the frame, support structures and lighting from public view. The outdoor advertising sign structure shall not contain any flashing or blinking material, or mechanically activated

or animated devices. The color and materials shall be subject to the provisions of this Chapter.

6. Sign Copy Area. The message or sign copy area of any relocated or upgraded outdoor advertising sign structure may be no larger than the message copy area of the original outdoor advertising sign structure.

7. Utility Lines. Utility lines providing electrical power to a new or relocated outdoor advertising sign structure shall be placed underground.

8. Maintenance. The sign and structure shall be continuously maintained in an attractive, clean, and safe condition pursuant to PMC §17.88.080~~090~~.O~~P~~ (Maintenance).

9. Traffic Safety. The sign shall not constitute a traffic hazard because of sign shape or its location in relationship to an official public traffic sign or signal.

(D) Billboard Relocation Agreement

1. Purpose. The purpose of the Billboard Relocation Agreement is to reduce the overall number of outdoor advertising sign structures within the City by allowing relocation of billboards in more suitable locations and provide more attractive, aesthetically-pleasing billboard designs and to improve the aesthetic appearance of the City.

2. Authority. Notwithstanding any other provision of this Chapter, and consistent with the California Business and Professions Code Outdoor Advertising provisions, existing outdoor advertising sign structures may be relocated and/or upgraded as part of a Billboard Relocation Agreement entered into between the City Council and a billboard owner and the approval of a Conditional Use Permit for any relocated billboard.

3. Content. Each Billboard Relocation Agreement shall contain, at a minimum, the following information:

a. Identification of the location of the billboards being permanently removed and the location of the relocated billboards; and

b. Conceptual design drawings for the relocated billboards.

4. Review Process and Findings. All Billboard Relocation Agreements shall be reviewed and approved by the City Council. The following findings shall be made by the City Council in order to approve a Billboard Reduction and Relocation Agreement:

a. The proposed agreement is consistent with the goals, objectives, purposes and provisions of the Palmdale General Plan, this Title, and any applicable Specific Plan;

b. The proposed relocation site is compatible with the uses and structures on the site and in the surrounding area;

c. The proposed Billboard Relocation Agreement provides for a net reduction in existing outdoor advertising sign structures within the City;

d. The proposed Billboard Relocation Agreement contributes to the reduction of visual clutter in the City;

e. The proposed billboard would not create a traffic or safety problem with regard to onsite access circulation or visibility;

f. The proposed billboard would not interfere with onsite parking or landscaping required by City ordinance or permit; and,

g. The proposed billboard would not otherwise result in a threat to the general health, safety, and welfare of City residents.

5. Conditional Use Permit. Subsequent to the approval of a Billboard Relocation Agreement by the City Council, the billboard owner shall file a Conditional Use Permit application to relocate or upgrade the outdoor advertising sign structure as authorized by the Billboard Relocation Agreement.

(E) Outdoor Advertising Sign Structures Subject to a Billboard Relocation Agreement. An outdoor advertising sign structure may be upgraded or relocated through the approval of a Conditional Use Permit and a corresponding Relocation Agreement. A relocated or upgraded billboard shall meet the development standards contained within Subsection (C) of this Section (Development Standards). A DAD is permissible in conjunction with the relocation/upgrade of an outdoor advertising sign structure approved pursuant to a Billboard Relocation Agreement, subject to the following standards:

1. Sign Area. A DAD shall be subject to the sign area standards specified in Subsection (C)(1) of this Section (Sign Area); however, given the unique characteristics of DAD's, an applicant may request a modification to the maximum sign area pursuant to the following conditions:

a. The applicant demonstrates, to the satisfaction of the Planning Commission, that the larger size is necessary to provide a readable DAD in a cost-effective manner; and,

b. The maximum sign area of a single-face DAD is 675 square feet and 1,350 square feet for a double-face DAD.

2. Sign Height. A DAD shall be subject to the sign area standards specified in Subsection (C)(2) of this Section (Height); however, a DAD relocated immediately adjacent to State Route 14 may be modified if the applicant can demonstrate that compliance with the 32-foot height limit would impair visibility for a portion of the sign face. Increased height shall only be allowed to the extent necessary to allow reasonable view of the sign face.

3. A DAD may only display a series of still images, each of which is displayed for a minimum of six seconds and transitions between images shall not exceed one second. No DAD shall depict or simulate any motion or video, have flashing, chasing, or twinkling lights.

4. Each DAD shall include a photometric sensor that will adjust the intensity of the sign for daytime and nighttime viewing. The intensity from sunset to sunrise shall be limited to 150 nits. The City may modify or further restrict the intensity of any DAD should the lighting create a distraction to drivers or an adverse effect on nearby residential properties.

5. In addition to complying with the other standards set forth in this Section and any other applicable provisions of this Section, any relocated billboard within 660 feet of a State highway shall also comply with the standards of the California Outdoor Advertising Act (Chapter 2 of Division 3 of the California Business and Professions Code beginning at Section 5400), including, but not limited to, the restrictions on size, height, proximity to interstate and primary highways and landscaped freeways. To the extent any conflict arises between this Section and the Outdoor Advertising Act, the Outdoor Advertising Act will prevail.

17.88.140~~160~~ Amortization and Abatement of On and Off-Premise Signs, Sign Programs, and Outdoor Advertising Sign Structures

(A) On-Premise Signs

1. Inventory of Signs. Within 120 days of the date of adoption of the ordinance codified in this Title the Director shall cause to be performed an inventory of all on-premise signs within the City to identify those that are illegal or abandoned. For the purposes of this Section, the term “illegal” denotes a sign which was erected without compliance with all ordinances and standards in effect at the time of its construction and erection or use, and the term “abandoned” denotes a sign which remains in place or is not maintained for a period of 90 days which no longer advertises or identifies an ongoing business, product, or service available on the business premises where the sign is located.

2. Public Hearing. Upon completion of the required identification and inventory of signs described in Subsection (A)(1) of this Section (Inventory of Signs), the City Council shall consider at a public hearing, with opportunity for public comment, whether there is a continuing need for the provisions of the ordinance that caused the signs to become illegal or abandoned.

3. Abatement. No later than 60 days after the public hearing described in Subsection (A)(2) of this Section (Public Hearing), the City shall commence abatement as provided in this Subsection of the illegal and abandoned on-premises signs identified by the inventory required by Subsection (A)(1) of this Section (Inventory of Signs).

4. Nonconforming Signs Which May Be Abated Without Payment of Compensation. Any sign which does not comply with the standards of this Chapter and which may be abated without the payment of compensation pursuant to Section 5497 or 5498 of the Business and Professions Code shall be brought into compliance with the standards and requirements of this Chapter as soon as may reasonably be accomplished and in no event later than six months after the date of adoption of the ordinance codified in this Title, unless such period is extended by the Planning Commission for good cause shown. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

5. Other Nonconforming Signs. Any sign which does not conform to the standards and requirements of this Chapter and which may be abated after the expiration of 15 years pursuant to Section 5495 of the Business and Professions Code shall be brought into compliance with the standards and requirements of this Chapter within 15 years of the date of adoption of this Chapter. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

6. Continuation of Existing Nonconforming Signs. Pursuant to PMC §17.11.080 (Continuation of Existing Nonconforming Uses), a sign that lawfully existed as a nonconforming sign prior to the effective date of the ordinance codified in this Chapter pursuant to Ordinance No. 684 and/or Ordinance No. U-1060 shall be deemed to be continued pursuant to this Title, and in determination of the termination date established by this Title, shall be computed from the original date it became nonconforming pursuant to said Ordinance No. 684 and/or Ordinance No. U-1060. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

7. Signs with Flashing and Rotating Features. Any sign which contains flashing or rotating features and which is not in compliance with the provisions of this Chapter shall be brought into compliance with the provisions of this Chapter as soon as may reasonably be accomplished and in no event later than six months after the date of

adoption of the ordinance codified in this Title unless such period is extended by the Planning Commission for good cause shown. If such sign is not brought into conformance with the standards and requirements of this Chapter within that time, the flashing or rotating features of the sign shall be deactivated immediately. However, the owner or operator of such sign may be authorized to continue its operation notwithstanding this Section if the Planning Commission determines the sign to be of historical significance.

(B) Off-Site Commercial Signs. All off-site commercial signs that do not comply with the standards and requirements of this Chapter shall be brought into compliance with the standards and requirements of this Chapter as soon as may reasonably be accomplished and in no event later than one year after the date of adoption of the ordinance codified in this Title, unless such period is extended by the Planning Commission for good cause shown. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

~~(C) Sign Programs. Sign programs approved prior to the effective date of the ordinance codified in this Title shall be automatically subject to the General Development Standards contained in PMC §17.88.090 (General Development Standards). New sign permits requested pursuant to these programs may not exceed the maximum sign area or maximum sign height specified under PMC §17.88.100 (Temporary Banner Permit for Commercial and Industrial Properties) through PMC §17.88.120 (Signs in Non-Residential and Mixed-Use Zones).~~

(C~~D~~) Outdoor Advertising Sign Structures. Any outdoor advertising sign structure which lawfully existed in a residential zone at the time of the adoption of this Chapter or was lawfully constructed pursuant to a permit issued by Los Angeles County and was later annexed to the City, but which is not in conformance with the standards and requirements of this Chapter, and is located within residential zoned property, shall be deemed a legal nonconforming use which shall be maintained, and may be upgraded subject to the restrictions and limitations imposed on nonconforming signs by this Chapter. Such signs shall be removed pursuant to the following amortization schedule.

Table 17.88.140~~160~~-1 Amortization Schedule	
Fair Market Value of Off-Premises Commercial Advertising Signs*	**Years Allowed Before Removal**
Under $1,999	2
$2,000 to $3,999	3
$4,000 to $5,999	4
$6,000 to $7,999	5
$8,000 to $9,999	6
$10,000 and over	7

Notes:

* Fair Market Value of outdoor advertising sign structures on the date of removal requirement.

(D~~E~~) Continuation of Existing Nonconforming Signs. Pursuant to PMC §17.11.080 (Continuation of Existing Nonconforming Uses), nonconforming outdoor advertising sign structures that lawfully existed prior to the effective date of this Chapter ~~pursuant to Ordinance No. 684 and/or Ordinance No. U-1060~~ shall be deemed to be continued pursuant to this Title, and in determination of the termination date established by this Title, shall be computed from the original date it became nonconforming pursuant to said Ordinance ~~No. 684 and/or Ordinance No. U-1060~~. Any sign that is not brought into conformance with the standards and requirements of this Chapter within that time shall be subject to abatement as a public nuisance.

17.88.150~~170~~ Variance and Minor Exceptions

Applicants may apply for a Variance or Minor Exception to the provisions of this Chapter pursuant to PMC Chapter 17.23 (Variances and Minor Exceptions), and shall have the burden of proving that the requested Variance or Minor Exception is in conformance with the required findings.

17.88.160~~180~~ Administration

(A) Duty to Enforce. The ~~Director~~ City Manager or his/her designee shall have the duty to enforce the provisions of this Title.

(B) Violations. It shall be unlawful for any person to violate any provision of this Chapter. It shall also be unlawful for a property owner, tenant, and a proprietor of a sign company to use, occupy, or maintain property in violation of this Chapter. Illegal signs and persons using, occupying, or maintaining property with an illegal sign shall be subject to enforcement procedures as described in the PMC, including but not limited to issuance of a citation, imposition of a fine, and/or arrest. Signs in violation of this Chapter may be summarily removed by the City Manager or his/her designee ~~Superintendent of Maintenance or his/her representative, or any Community Service or Code Enforcement Officer, or any other City employee authorized by the City Manager to remove such sign(s)~~. The sign owner shall be responsible for payment of a fee or fine in the ~~an~~ amount specified in the City's ~~fee resolution~~ Master Schedule of Fees and Penalties for each sign ~~so~~ removed. In cases where a duly authorized representative of the City has direct contact with the violator of these provisions, this person shall be responsible for the payment of the aforementioned fees or fines. A written notice of the removal shall be given to the sign owner stating that the sign may be reclaimed within 10 days and will be returned to the owner upon payment of the fee or fine specified herein, except that no such notice shall be required if the owner is not identified on the sign. In the event the sign is not reclaimed within the

time allowed to do so, the sign may be destroyed or otherwise disposed of by the City Manager or his/her designee ~~Superintendent of Maintenance~~. Unclaimed signs may be sold at a price determined by the City Manager and/or his/her designee ~~Superintendent of Maintenance~~.

(C) Ambiguity. Whenever ambiguity arises as to the interpretation of the provisions of this Title, the applicant for a sign permit may request that the Planning Commission make a determination as to the meaning and application of the ambiguous provisions.

(D) Discontinuance of a Business. Within 91 days of vacancy in the unit or building for which a commercial sign was placed or before a new business occupies the premises, it shall be the responsibility of the applicant or the applicant's authorized leasing agent to remove the message or copy of an abandoned sign and to patch and conceal any and all damage to the structure resulting from removal of the sign in a neat and professional manner. Legally existing abandoned cabinet signs shall be replaced with a blank panel.

(E) Removal of Illegal Signs on Public Property. The City Manager and/or his/her designee ~~Director~~ shall remove or cause to be removed any sign unlawfully placed or located on public property. The City Manager and/or his/her designee ~~Director~~ shall send notification in writing to the owner of such sign, if such owner is known, stating the location where his or her sign is being held and that it will be destroyed if not claimed by the owner within 10 days after the date of such notice. In the event that the owner does not claim such sign within the 10 day period, the City Manager and/or his/her designee ~~Director~~ may destroy or otherwise dispose of such sign. The owner of the sign shall reimburse the City for the actual costs of removing, storing, and destroying or otherwise disposing of the sign.

For purposes of this Section, there shall be a presumption that:

1. The real estate agent, broker, brokerage firm or other person whose name or telephone number appears on the handbill or sign is the person responsible for posting a handbill or sign advertising property for sale, lease or rent;

2. The candidate seeking office is the person responsible for posting a handbill or sign promoting the candidate for public office;

3. The owner, or lessee if the property is leased, of property used for a yard or garage sale is the person responsible for posting a handbill or sign advertising a yard or garage sale;

4. The person whose name, telephone number or address appears as the sponsor for a sporting event, concert, theatrical performance, or similar activity or

event is the person responsible for posting a handbill or sign advertising the subject activity or event; and,

5. The person whose name, telephone number, or address appears as the person to contact on any handbill or sign posted is the person responsible for posting the same. For purposes of this Section, the person presumed to be responsible for posting a handbill or sign on public or utility property may rebut such presumption by declaring under penalty of perjury or swearing under oath that the person did not cause, authorize, allow, or permit the posting of the handbill or sign on public or utility property.

(F) Abatement of Danger. When the City Manager and/or his/her designee ~~Director~~ determines a sign constitutes an imminent danger to the public safety, the City Manager and/or his/her designee ~~Director~~ may take appropriate action to abate the danger. Any sign removed to abate such a threat to the public safety shall become the property of the City and may be disposed of in any appropriate manner. The cost of such emergency abatement shall be charged against the owner of the sign and may be recovered by the City by an appropriate legal action or by assessment against the property, provided that the person assessed shall be granted a hearing before the Planning Commission to contest the amount or propriety of the charge if such person requests a hearing within 30 days of notice from the City. For the purposes of this Section, a sign shall be refutably presumed to be the property of the same person as described in Subsection (E) of this Section (Removal of Illegal Signs on Public Property).

(G) Entitlements Strictly Construed. Because the standards provided by this Chapter are established to protect and promote the public health, safety, and general welfare, any sign entitlement authorized herein shall be strictly construed to further the purposes of this Chapter.

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 CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that there is no possibility that adoption of the proposed amendments to the City's sign regulations will have a significant effect on the environment.

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 this Commission during the above-referenced October 8, 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 proposed ZOA updates the City's sign regulations to establish clear and consistent standards that support orderly and attractive development, enhance community character, reduce visual clutter, and clarify enforcement procedures. The amendments also promote public safety and convenience by regulating the location, design, and illumination of signs to minimize impacts to motorists and pedestrians. Therefore, the proposed ZOA is consistent with and implements the goals, objectives, and policies of the General Plan and promotes public safety, convenience, and general welfare.

SECTION 4. Based on the findings and conclusions outlined in paragraphs 1, 2, and 3, this Commission recommends City Council approval of ZOA 26-0001 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 8th day of October 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 8th day of October 2026, by the following roll call vote:

AYES: Chair Henderson, Vice Chair Elize, Commissioners Lujan, Olivarez, and Jones

NOES: None

ABSTAIN: None ABSENT: None

Date: 10/19/2026

Irlanda Ramirez, Deputized Clerk

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-065, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ISSUANCE OF EXEMPT FACILITY BONDS BY THE CALIFORNIA MUNICIPAL FINANCING AUTHORITY (CMFA) IN AN AGGREGATE OUTSTANDING PRINCIPAL AMOUNT NOT TO EXCEED $20,000,000 TO FINANCE AND REFINANCE A 48-UNIT QUALIFIED RESIDENTIAL RENTAL PROJECT, LOCATED AT 38732 9TH STREET E. IN THE CITY OF PALMDALE, FOR THE BENEFIT OF 9TH STREET E. HOUSING, LP (OR AN AFFILIATE), AND CERTAIN OTHER MATTERS RELATING THERETO**

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; and,

2. Adopt Resolution No. CC 2026-065, a Resolution of the City Council of the City of Palmdale approving the issuance of tax-exempt revenue bonds by the CMFA in an aggregate principal amount not to exceed $20,000,000, for the purpose of financing the acquisition, construction, improvement, and equipping of a 48-unit qualified residential rental project located at 38732 9th Street E. in the City of Palmdale, for the benefit of 9th Street E. Housing, LP (the Borrower).

BACKGROUND

The CMFA was created on January 1, 2004, pursuant to a joint exercise of powers agreement to promote economic, cultural, and community development by financing economic development and charitable activities throughout California. To date, over 350 municipalities have become members of CMFA.

The CMFA was formed to assist local governments, non-profit organizations, and businesses in issuing taxable and tax-exempt bonds to improve the standard of living in California. The CMFA's representatives and its Board of Directors have considerable experience in bond financings.

The Borrower requested that the CMFA serve as the municipal issuer of tax-exempt revenue bonds in an aggregate principal amount not to exceed $20,000,000. The proceeds of the bonds will be used to finance the acquisition, construction, improvement, and equipping of a 48-unit qualified residential rental project to be located at 38732 9th Street E. in the City of Palmdale, California. The residential portion of the Residential Development will consist of 48 residential units for very low-income and low-income individuals and families. One hundred percent of the units, with the exception of the manager's unit, 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.

DISCUSSION

For the bonds to qualify as tax-exempt, the City of Palmdale must hold a public hearing (the TEFRA Hearing) that gives community members an opportunity to speak in favor of or against using tax-exempt bonds to finance the project. Prior to such a TEFRA Hearing, reasonable notice must be provided to community members. A notice of public hearing was published in the Antelope Valley Press on October 24, 2026. Following the close of the TEFRA Hearing, an "applicable elected representative" of the governmental unit hosting the Project must provide its approval of the issuance of the bonds for the financing of the project.

In light of the foregoing and to support affordable housing, staff recommend that the City conduct the TEFRA Hearing and adopt the resolution approving CMFA's issuance of the bonds.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action. The proposed obligations to be issued by CMFA 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:	Aleks Giragosian, City Attorney

ATTACHMENTS

Reso. No. CC 2026-065 TEFRA

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-065

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING A PLAN OF FINANCE INCLUDING THE ISSUANCE OF EXEMPT FACILITY BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN AGGREGATE OUTSTANDING PRINCIPAL AMOUNT NOT TO EXCEED $20,000,000 TO FINANCE AND REFINANCE A 48-UNIT QUALIFIED RESIDENTIAL RENTAL PROJECT, LOCATED AT 38732 9TH STREET E. IN THE CITY OF PALMDALE, FOR THE BENEFIT OF 9TH STREET E. HOUSING, LP (OR AN AFFILIATE), AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, Milare Housing Investments, Inc. (the "Sponsor"), on behalf of 9th Street E. Housing, LP, a California limited partnership, or another limited partnership of which the Sponsor or a related person to the Sponsor is the general partner (such limited partnership being referred to herein as the "Borrower"), has requested that the California Municipal Finance Authority (the "Authority") undertake a proposed plan of finance that includes the issuance and reissuance from time to time of one or more series of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986, as amended (the "Code"), in an aggregate principal amount not to exceed $20,000,000 (the "Bonds") to finance and refinance the acquisition, development, construction and equipping of a 48-unit multifamily rental housing project (the "Project") to be owned and operated by the Borrower and to be located at 38732 9th Street East within the City of Palmdale, California (the "City"); and

WHEREAS, an "applicable elected representative" of the jurisdiction in which the Project is to be located is required to approve the proposed plan of finance for the Project under Section 147(f) of the Code; and

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is an "applicable elected representative" for purposes of Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the proposed plan of finance for the Project in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds and now desires to approve the proposed plan of finance for the Project;

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 approves the proposed plan of finance for the Project that includes the issuance and reissuance from time to time of the Bonds in an outstanding principal amount not to exceed $20,000,000. It is the purpose and intent of the City Council that this Resolution constitute approval of the proposed plan of finance for the Project for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of a governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

SECTION 3. 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 hereby.

SECTION 4. The City Clerk shall certify to the adoption of this resolution

PASSED, APPROVED and **ADOPTED** this 9th day of November,2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Taylor Anderson
Deputy 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 9th day of November, 2026 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **NOMINATE AND APPOINT ONE (1) MEMBER TO SERVE ON THE ANTELOPE VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT BOARD**

RECOMMENDATION

Staff recommend that the City Council:

1. Nominate and appoint one member to serve on the Antelope Valley Mosquito and Vector Control District Board.

BACKGROUND

The Antelope Valley Mosquito and Vector Control District was formed on August 21, 1958, after the Los Angeles County Board of Supervisors acted on a petition submitted by the residents of the Antelope Valley.

The District is a five-member Board of Trustees whose members represent the citizens of Palmdale, Lancaster, and Los Angeles County and work under the authority of the California Health and Safety Code Sections 2000-2093.

The meetings are held on the 4th Thursday of each month at 4:00 p.m. at 42624 6th Street East, Lancaster, CA.

DISCUSSION

This item is being presented to the City Council to appoint one (1) member to serve on the Antelope Valley Mosquito and Vector Control Board.

Health and Safety Code section 2021(b) states, “In the case of a district that is located entirely within a single county and contains both incorporated territory and unincorporated territory, the board of supervisors may appoint one person to the board

of trustees, and the city council of each city that is located in whole or in part within the district may appoint one person to the board of trustees." The District consists of the cities of Palmdale and Lancaster, and parts of Los Angeles County. Therefore, the City is entitled to appoint one trustee to the five person board.

Health and Safety Code section 2024(a) states, "Except as provided in Section 2023, the term of office for a member of the board of trustees shall be for a term of two or four years, at the discretion of the appointing authority. Terms of office commence at noon on the first Monday in January." Section 2023 applies to initial appointments and does not apply in this case. Therefore, the City must decide which candidate to appoint and whether to appoint the candidate for a two-year or four-year term.

The City opened recruitment, including the advertisement, for one (1) member position from Thursday, September 10, 2026, through Thursday, October 1, 2026.

Four applications were received that meet the following qualifications: applicants must be registered to vote and reside within the City of Palmdale boundaries.

DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5
Mayor Pro Tem Bishop	Councilmember Loa	Councilmember Bettencourt	Mayor Ohlsen	Councilmember Alarcon
None	Augusto Collantes Dunya Ertan Cukurova Veronica Glasglow	None	Eulalia Gonzalez-Urquiza	None

FISCAL IMPACT

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

STRATEGIC PLAN

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

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Apps AVMVD

PALMDALE

a place to call home

Office of the City Clerk
38300 Sierra Highway, Suite C
Palmdale, CA 93550
(661) 267-5151

Antelope Valley Mosquito & Vector Control
Appointment Application

Please Print or Type

Name: AUGUSTO COLLANTES

Address: [redacted]

City: Palmdale, CA Zip Code: 93551 Home Phone: [redacted]

District you reside in: 2 Bus. Phone: [redacted]

Why are you interested in this position? I believe in a safe environment to be enjoyed indoor & outdoors - Lessening & eradicating mosquitos prevent desease transmission. Participate to protect health & wellbieng of people is important.

Have you had previous public service experience on a board, commission, or public body? If so, indicate the public agency, title, position, and duties.

NO.

The AV Mosquito & Vector Control Board meets on the 4th Thursday of each month at 4:00 p.m. are you available to attend these monthly meetings?

☑ YES ☐ NO

Considering your previous experience indicate what you feel are the most important experiences and abilities that qualify you for this position.

I've been working in the oral/dental sector & caring for people, lessening &/or eliminating pain & suffering is my priority.

If you wish, you may attach a copy of your resume to this application.

Augusto D. Collantes Jr.

"Joe"

[redacted] | [redacted] | [redacted]

PROFESSIONAL SUMMARY

A self-motivated professional with a genuinely clear experience in the business and finance office facets through employment and special studies; developed a unique personality in terms of work maturity and personal relations; knowledgeable in revenue and disbursement classification and entry of relevant data into the company's accounting and database software and has gained extensive exposure in preparation of various management reports.

HIGHLIGHTS OF QUALIFICATION

- In depth knowledge of Dental Billing, Authorizations, EOB posting, patient's eligibility and insurance coordination
- Coordinated with departments on various financial and accounting concerns.
- Received, verified, deposited and posted all remittances from different departments
- Collected and ensured report/form completion reports of departments on revenue and expenses.
- Examined submitted reports for onward integration of essential factors for the preparation of annual budget, monthly finance and accounting reports.
- Identified transactions through an original source document which provides necessary details
- Examined submitted check requests, invoices, receipt and/or purchase order from various suppliers and departments for approval of payments.
- Ensured all check requests have proper and complete supporting documents for approval
- Analyzed, monitored and managed account payable and scheduled timely payments
- Encoded data into accounting software for onward recording and reporting purposes.
- Acted as Payroll Master
- Reconciled accounting books
- Prepare presentations and assisted the Finance Council for quarterly meetings
- Supervised Capital Campaign Administrative Staff in providing crucial reports
- Managed and created ways to save on expenses through tactful negotiation
- Managed Front Office and Sales Force with regular employees and contract workers.
- Supervised Money Counters and clerical employee for administrative responsibilities
- Hired, trained, deployed and supervised sales personnel for strategic selling.
- Surveyed, planned and forecasted for strategic selling.
- Coordinated, facilitated, decorated and manned exhibits, shows and fundraisers.
- Good operating and repair knowledge of office machines

EXPERIENCES

ASSISTANT FINANCE MANAGER

In-charge of financial reports, reconciliation, accounts receivable, payables, petty cash fund, payroll, and office supplies. In-charge of data entry, correspondence letters and bulk mailing to families and their data base. Knowledge in Quickbooks, Parish Data System and MS Office especially Excel. Assisted in fundraisers.

DENTAL FRONT OFFICE MANAGER AND INSURANCE BILLER

Provided full daily schedule for dentists. Broad experience as a Dental Insurance Biller for Dentical, PPO, HMO plan and discount programs. Verified patient's coverage and prepared paperwork before treatment. Encoded insurance checks, deposits and data entry. Maintains and updates dental records. Managed accounts and collection letter for patients. Submitted claims for unpaid accounts to collection agency and appealed for denied treatments resulting in 90% of past due accounts collected.

SENIOR ACCOUNT MANAGER

Sold, marketed, presented, managed, built rapport and alliance and solicited clients. Listened, guided, trained, counseled and lead workers and clients. Hired, prepared and deployed sales personnel for strategic selling. Surveyed, planned, forecasted, organized, controlled and led selling. Prepared and created sales materials and manuals. Researched competitor's profile, products and rates for comparison. Helped families save and economize on their monthly expenses using Financial Life Strategies. Met quota by 133%.

EMPLOYEMENT HISTORY

Feb 2012 to present, Dental Biller	American Bright Dental
July 2021 to 2024 Dental Biller	Lancaster Advanced Dental
Sept 2015 to Dec 2015, Administrative Assistant	Century 21 – Naty Chu
Feb 2010 to Mar 2015, Assistant Finance Manager	Sacred Heart Church
Jun 2009 to Feb 2010, *Senior Associate*	World Financial Group – Financial Service
Jun 2008 to May 2009, *Maintenance*	Sacred Heart Church
Jul 2006 to May 2008, *Dental Biller*	Dr. Hernandez Dental Office
Nov 2002 to July 2006, *Front Office Manager*	AV Dental Systems
Oct 2000 to Feb 2002, *Assist. Sales Manager*	Amtex International, Inc. – Textile Company
Jul 1985 to Aug 2000, *Senior Account Manager*	Globe Telecommunications

EDUCATION AND TRAINING

Certified in Parish Business Administration 2015 (endorsed by ADLA) in LMU.
Passed Contemporary Business and Financial Accounting Class 2012 AV College.
Bachelor Degree and Passed Licensure Exam in Electronics and Communication Engineering.

- PDS, QuickBooks & MS Office
- Neodex Dental Billing Systems
- Starbyte Dental Billing Systems
- Dentrix Dental Billing Systems
- CA Life, Accident & Health Insurance Licensed/Trainer
- GT Advance PABX System Telephone Technology Operation
- Amtex Fabrics and Prints
- GT Telex/Fax Technology
- GT Sales & Marketing Strategies
- GT Teamwork and Time Management
- GT Lao Tzu: The Art of War & Sales Strategy
- GT Telecom Design Microwave Radios & Satellites
- Case Presentation & Acceptance
- Operates PC, fax, scanner, printer, copier, security monitoring system

VOLUNTEER AND LIESURE ACTIVITIES

Eucharistic Ministry, Lector, Lecturer, Usher, Knight of Columbus and guitar playing.

References are available upon request.

[redacted]

From: noreply@civicplus.com
Sent: Monday, September 21, 2026 3:01 PM
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: Antelope Valley Mosquito Abatement & Vector Control Appointment Application

CAUTION: This email originated from outside of the organization.

Antelope Valley Mosquito Abatement & Vector Control Appointment Application

Name	Dunya Ertan Cukurova
Address	[redacted]
City	Palmdale
State	CA
Zip Code	93551
Home Phone	[redacted]
Business Phone	*Field not completed.*
District you reside in	palmdale
Why are you interested in this position?	I have a biology degree and would be intrested in learning more about it
Have you had previous public service experience on a board, commission, or public body? If so, indicate the public agency, title, position, and duties.	no
The AV Mosquito & Vector Control Board meets on the 4th Thursday of each month at 4:00 p.m. are you available to attend	Yes

these monthly meetings?	
Considering your previous experience indicate what you feel are the most important experiences and abilities that qualify you for this position.	Ecology degree from CSUCi and environment degree
If you wish, you may attach a copy of your resume to this application.	[redacted]

Applications may be mailed (postmarked the date of the deadline), e-mailed to cityclerk@cityofpalmdaleca.gov or hand delivered to the office of the City Clerk at 38300 Sierra Hwy., Ste. C, Palmdale, CA 93550 For additional information, please contact the City Clerk at 661-267-5151.

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Dunya Cukurova

[redacted]

[redacted]

Work Experience:

Bank of America February 2007 to February 2015

Quality Control Analyst

- Analyze applicants' financial status, credit, and property evaluations to determine feasibility of granting loans. Individual quarterly assessment reviews for each associate under direct supervision, compiling and reporting weekly statics on work completed
- Develop collaboration between teams and upper management for the best results.
- Develops recommendations to correct unsatisfactory conditions improve operations and reduce costs
- Reporting directly on updates and date of completion on special projects
- Manage and create training videos for all products.
- Process and maintain department's and event bills, payment logs and budgets
- Prepares expense reports, prepare and assists in preparation of presentations

G.S. Distributions Inc. April 2005 to February 2007

Associate Training Specialist

- Supervising Team Specialist with the handling and resolving Customer issues
- Reporting directly on updates and date of completion on special projects
- Manage and create training videos for all products.
- Record all client correspondence and trainings in C.R. with quality detail
- Create printed material and training tools for classes.
- Weekly reports on setting appointments, Coordination of travel arrangements and accommodations, and processing expense reports.

Cigarettes Cheaper July 1997 to April 2005

District manager

- Supervising and maintain over 20 stores with 106 employees
- Compiling and reporting weekly statics
- Maintain everyday store operations and inventory
- Marketing product on an individual store basis to ensure revenue increase
- Human resource

United states Navy March 1995 to February 1997

Enlisted

Education

BS in Biology from CSU Channel Islands 2024

AA in biology and communication from College of the Canyons

From: noreply@civicplus.com
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: Antelope Valley Mosquito Abatement & Vector Control Appointment Application
Date: Sunday, September 27, 2026 12:15:55 PM

CAUTION: This email originated from outside of the organization.

Antelope Valley Mosquito Abatement & Vector Control Appointment Application

Name	Veronica Glasgow
Address	[redacted]
City	Palmdale
State	CA
Zip Code	93551
Home Phone	[redacted]
Business Phone	*Field not completed.*
District you reside in	2
Why are you interested in this position?	I'm applying because I want hands-on experience serving on a public board and because I genuinely care about public health issues that affect my community's quality of life. In my professional work, I coordinate services for families navigating complex public systems, which has strengthened my problem-solving, communication, and ability to work within regulatory and procedural frameworks. Those are exactly the skills a Board like this relies on. Reviewing reports and budgets carefully, communicate clearly with staff and the public, and follow through on commitments between meetings. I live in Palmdale and want to bring that same attention to detail and commitment to public service to the Antelope Valley Mosquito Abatement & Vector Control Board, supporting its mission to protect residents' health and improve quality of life across the district.
Have you had previous public service experience on a board, commission, or public body? If so, indicate the public agency, title, position, and duties.	I have not yet served on a formal board or commission, but I bring a strong foundation in public-facing and advocacy work. I have experience drafting formal correspondence and meeting requests for advocacy organizations, and I've served on committees focused on policy and community issues, work that has taught me to build consensus, listen to differing viewpoints, and move an agenda forward productively. Professionally, I work extensively with government service frameworks, case coordination, and regulatory compliance processes, which has sharpened my ability to read and apply policy accurately, track

	compliance requirements, and represent an agency's decisions clearly to the people affected by them. I'd bring that same rigor and follow-through to this Board, helping ensure decisions are well-informed, properly documented, and communicated effectively to the District's residents.
The AV Mosquito & Vector Control Board meets on the 4th Thursday of each month at 4:00 p.m. are you available to attend these monthly meetings?	Yes
Considering your previous experience indicate what you feel are the most important experiences and abilities that qualify you for this position.	My most important qualifications are my ability to work within regulatory and procedural systems, my communication skills, and my track record of following through on public-facing commitments. Professionally, I coordinate services for families navigating complex government processes, which requires me to interpret policy accurately, track compliance requirements, and clearly communicate agency decisions to affected people. I also have direct experience drafting formal correspondence for advocacy work and serving on committees where I've listened to differing viewpoints and helped move decisions forward productively. Beyond the technical skills, I bring genuine reliability. I show up prepared, meet deadlines, and take follow-up seriously, which I think matters as much as any specific expertise for a Board that depends on consistent participation and sound decision-making.
If you wish, you may attach a copy of your resume to this application.	*Field not completed.*

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From: noreply@civicplus.com
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: Antelope Valley Mosquito Abatement & Vector Control Appointment Application
Date: Thursday, October 1, 2026 5:35:21 PM

CAUTION: This email originated from outside of the organization.

Antelope Valley Mosquito Abatement & Vector Control Appointment Application

Name	Eulalia Gonzalez-Urquiza
Address	[redacted]
City	Palmdale
State	CA
Zip Code	93552
Home Phone	[redacted]
Business Phone	*Field not completed.*
District you reside in	4
Why are you interested in this position?	I am interested in serving on the Antelope Valley Mosquito & Vector Control District because I care about protecting the health and quality of life of residents in our community. Mosquito and vector control services play an important role in preventing the spread of disease and ensuring a safe environment for families. As a Financial Accountant, I bring strong skills in budgeting, financial oversight, compliance, and accountability. I would like to use my professional experience to help support responsible stewardship of public resources while contributing to the District's mission and long-term goals. I am committed to community service and believe that participating on the Board would allow me to give back to the Antelope Valley, represent residents' interests, and help ensure the District continues to provide effective and efficient services to the public.
Have you had previous public service experience on a board, commission, or public body? If so, indicate the public agency, title,	No, I have not previously served on a board, commission, or public body. However, through my professional experience as a Financial Accountant, I have participated in cross-functional teams, provided financial oversight, supported compliance and governance activities, and collaborated with stakeholders to help achieve organizational objectives. I am eager to apply these skills in a public service capacity and contribute positively to the

position, and duties.	Antelope Valley community.
The AV Mosquito & Vector Control Board meets on the 4th Thursday of each month at 4:00 p.m. are you available to attend these monthly meetings?	Yes
Considering your previous experience indicate what you feel are the most important experiences and abilities that qualify you for this position.	My experience as a Financial Analyst for the City of Palmdale and my current role as a Financial Accountant have provided me with strong expertise in budgeting, financial oversight, compliance, and strategic decision-making. I have extensive experience analyzing financial data, managing public and corporate resources responsibly, and collaborating with diverse stakeholders to support organizational goals. These skills, combined with my commitment to public service and the Antelope Valley community, would allow me to make informed, fiscally responsible contributions to the District and its mission of protecting public health.
If you wish, you may attach a copy of your resume to this application.	*Field not completed.*

Applications may be mailed (postmarked the date of the deadline), e-mailed to cityclerk@cityofpalmdaleca.gov or hand delivered to the office of the City Clerk at 38300 Sierra Hwy., Ste. C, Palmdale, CA 93550 For additional information, please contact the City Clerk at 661-267-5151.

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City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **NOMINATE AND APPOINT TWO (2) DIRECTORS TO REPRESENT THE CITY OF PALMDALE ON THE PALMDALE AEROSPACE ACADEMY (TPAA) BOARD OF DIRECTORS**

RECOMMENDATION

Staff recommend that the City Council:

1. Nominate and appoint two Directors to represent the City on TPAA's Board:

    - One to complete a term ending July 31, 2028; and,
    - One for a new three-year term ending July 31, 2029.

BACKGROUND

According to TPAA's Bylaws (Article 3, Section 3.3), the City must appoint three Directors to serve on the Board. Section 3.3(b) states that all Directors serve three-year terms ending on July 31 of the third year. Directors remain in office until their term ends and a new Director is appointed, unless they resign or are removed earlier under the Bylaws or California law.

Directors play an important role at the Academy and bring diverse backgrounds and expertise in areas such as curriculum, instruction, assessment, finance, business, special education, law, facilities, and governance. Directors are not paid for their service.

DISCUSSION

This item is presented to the City Council to appoint two (2) directors to represent Palmdale on The Palmdale Aerospace Academy (TPAA) Board of Directors.

One position became vacant following Director Lujan's resignation in November 2025, and Director Taxpulat's position expired in July 2026.

The City advertised and opened recruitment for two (2) director positions in late August 2026, with the recruitment period extended through October 2026. Applicants are required to reside in the City of Palmdale.

Staff received four applications.

DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5
Mayor Pro Tem Bishop	Councilmember Loa	Councilmember Bettencourt	Mayor Ohlsen	Councilmember Alarcon
Firat Taxpulat	None	None	Patricia Morales Lupita Jimenez	Abbi Chable

FISCAL IMPACT

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

STRATEGIC PLAN

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

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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Apps TPAA

[redacted]

From: noreply@civicplus.com
Sent: Wednesday, October 28, 2026 8:10 PM
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: The Palmdale Aerospace Academy Board Member Application

CAUTION: This email originated from outside of the organization.

The Palmdale Aerospace Academy Board Member Application

The Palmdale Aerospace Academy Board Member Application

The Board meets twice a month on the 2nd and 4th Tuesdays of each month, at 5:30 p.m. at the Palmdale Aerospace Academy located at 3300 E. Palmdale Blvd., Palmdale.

Applications are due by the deadline date of Thursday, Oct. 29, 2026, at 6 p.m.
Applicants are encouraged to attach a resume.

Full Name	Abbi Chable
Address	[redacted]
City	Palmdale
State	Ca
Zip Code	93550
Cell Phone	[redacted]
Email	[redacted]
Current Employer	Eastside Union School District
Current Position	Behavior Services Specialist
Experience	
Please list any relevant experience and/or employment	TPAA PTSO Board Member, Business Owner (Learning Tree Proactive Therapies LLC)

Please list prior experience serving as a board member for non-profit organizations	TPAA PTSO Board Member
Please mark your area(s) of expertise and/or the contribution you feel you can make to further the mission of TPAA (Pick at least one)	Special Education
Additional Information	
Why are you interested in servìng as a board member for TPAA?	I'm interested helping make decisions that will continue to improve the students experience on campus social/emotionally, academically, and behaviors supports
What other volunteer commitments do you currently have?	TPAA PTSO
Please share any other information you feel important for consideration of your application to serve as a TPAA board member	I am also a parent of current student and sibling of TPAA Alumni
Resume	[redacted]

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ABBI **CHABLE**

I am a motivated person who has a variety of soft and hard skills. I am able to adapt to any work environment and meet employer specific needs to ensure company and client success.

01/26- Present

BEHAVIOR SERVICES SPECIALIST, EASTSIDE UNION SCHOOL DISTRICT

Under direction of the Deputy Superintendent and Director of Special education conduct the following duties: district program development, management of direct support staff, participate and establish need for supports in IEP, SST, and COST meetings; develop and host trainings for teachers, administrators, and direct support personnel; collaborate with community partners and multidisciplinary teams, provide direct behavior support so students and staff

11/25- Present

CEO-**BOARD CERTIFIED BEHAVIOR ANALYST,** LEARNING TREE PROACTIVE THERAPIES LLC

Conduct functional behavior assessments, write programs to be implemented by self and RBTs, Report writing, new hire and RBT training, parent training and onboarding

07/25- 01/26

BOARD CERTIFIED BEHAVIOR ANALYST, DV THERAPY

Conduct functional behavior assessments, write programs to be implemented by RBTs, manage a group of Mid-level supervisors, BT/RBTs, report writing, new hire and RBT training, parent training and onboarding

01/24- 07/25

SENIOR PROGRAM MANAGER, AUTISM LEARNING PARTNERS

Conduct functional behavior assessments, write programs to be implemented by RBTs, work under the supervision of a BCBA, manage a group of BT/RBTs, report writing, new hire and RBT training, work 1 on 1 with clients, parent training and onboarding

09/23- 12/23

PROGRAM MANAGER, AUTISM SPECTRUM THERAPIES

Conduct functional behavior assessments, write programs to be implemented by RBTs, work under the supervision of a BCBA, manage a group of BT/RBTs, report writing, new hire and RBT training, work 1 on 1 with clients, parent training and onboarding

01/22- 09/23

APPRENTICE 1, QUALITY BEHAVIOR SOLUTIONS

Conduct functional behavior assessments, write programs to be implemented by RBTs, work under the supervision of a BCBA, manage a group of BT/RBTs, report writing, new hire content training, work 1 on 1 with clients, parent training and onboarding.

05/21- 01/22

REGISTERED BEHAVIORAL TECHNICIAN, PROMISE ABA

Work full time implementing ABA programs designed by BCBA with various clients.

ABBI **CHABLE**

SKILLS

Bilingual in Spanish and English
Organized/Flexible
Team Player/Able to take
Lead Quick Learner
Able to Work Under Pressure
Excellent Communicator
Management Experience
SEIS
Central Reach
Measure PM
Catalyst
ARIES
Microsoft Office: Word, PowerPoint, Excel, and Outlook
High Call Volume Office Experience
Type 35-40 WPM
10 Key

EDUCATION

IN PROGRESS
PsyD CLINICAL PSYCHOLOGY
THE CHICAGO SCHOOL OF PROFESSIONAL PSYCHOLOGY

2025
BCBA CERTIFICATION

MARCH 2023
MASTERS DEGREE IN PSYCHOLOGY, CONSENTRATION ABA
THE CHICAGO SCHOOL OF PROFESSIONAL PSYCHOLOGY

MAY 2021
BACHELORS DEGREE IN CRIMINAL JUSTICE, MINOR IN PSYCHOLOGY,
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

JUNE 2016
ASSOCIATES DEGREE IN SOCIOLOGY, COLLEGE OF THE CANYON
ASSOCIATES DEGREE IN CSU BEHAVIORAL SOCIAL SCIENCE,
COLLEGE OF THE CANYON

[redacted]

From: noreply@civicplus.com
Sent: Thursday, September 3, 2026 4:59 PM
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: The Palmdale Aerospace Academy Board Member Application

CAUTION: This email originated from outside of the organization.

The Palmdale Aerospace Academy Board Member Application

The Palmdale Aerospace Academy Board Member Application

The Board meets twice a month on the 2nd and 4th Tuesdays of each month, at 5:30 p.m. at the Palmdale Aerospace Academy located at 3300 E. Palmdale Blvd., Palmdale.

Applications are due by the deadline date of Thursday, September 17, 2026, at 6:00 p.m. Applicants are encouraged to attach a resume.

Full Name	Lupita Elizabeth Jimenez
Address	[redacted]
City	Palmdale
State	CA
Zip Code	93552
Cell Phone	[redacted]
Email	[redacted]
Current Employer	None
Current Position	None
Experience	
Please list any relevant experience and/or employment	Satellite Coordinator and News Reporter on Chanel 62 KRCA

Please list prior experience serving as a board member for non-profit organizations	None
Please mark your area(s) of expertise and/or the contribution you feel you can make to further the mission of TPAA (Pick at least one)	Special Education
Additional Information	
Why are you interested in servìng as a board member for TPAA?	It's important that they recognize and support students with special needs. I myself have three neurodivergent children.
What other volunteer commitments do you currently have?	None
Please share any other information you feel important for consideration of your application to serve as a TPAA board member	There are many parents who don't know the language and therefore don't know how to demand services for their children with special needs! I commit to informing, educating, and finding resources, to getting the tools, for those parents, and I commit to finding options for their neurodivergent children and to ensuring that their rights are upheld.
Resume	*Field not completed.*

Email not displaying correctly? View it in your browser.



[redacted]

From: noreply@civicplus.com
Sent: Wednesday, October 14, 2026 7:54 AM
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: The Palmdale Aerospace Academy Board Member Application

CAUTION: This email originated from outside of the organization.

The Palmdale Aerospace Academy Board Member Application

The Palmdale Aerospace Academy Board Member Application

The Board meets twice a month on the 2nd and 4th Tuesdays of each month, at 5:30 p.m. at the Palmdale Aerospace Academy located at 3300 E. Palmdale Blvd., Palmdale.

Applications are due by the deadline date of Thursday, Oct. 15, 2026, at 6 p.m.
Applicants are encouraged to attach a resume.

Full Name	Patricia Morales
Address	[redacted]
City	PALMDALE
State	CA
Zip Code	93552
Cell Phone	[redacted]
Email	[redacted]
Current Employer	City of Palmdale
Current Position	Supervisor Coordinator - Community Programs
Experience	
Please list any relevant experience and/or employment	I bring more than 30 years of experience in public service, nonprofit leadership, youth development, fundraising, financial management, and community engagement.

	I have worked for the City of Palmdale since 2010, serving as SAVES Coordinator from 2010 to 2021 and currently as Supervising Coordinator of Community Programs. In these roles, I have managed programs and resources, supervised staff and volunteers, developed community partnerships, and created opportunities for residents and youth to become more engaged in their community. My current responsibilities include overseeing youth leadership and civic engagement programs such as the iSERVE Youth Leadership Academy, iLEAD Youth Conference, and the City's volunteer initiatives. Before joining the City, I served as Executive Director of New Horizons School, which supported children experiencing homelessness. I also served as Executive Director of Pajaro Valley Loaves and Fishes and as Development and Communication Director for the American Red Cross. These roles gave me extensive experience in organizational leadership, budgeting, fundraising, grant management, and collaborating with community partners. I believe this combination of experience would allow me to contribute meaningfully to TPAA's governance, financial stewardship, community partnerships, and long-term success.
Please list prior experience serving as a board member for non-profit organizations	I previously served as a board member for AIDS, Medicine and Miracles, a national nonprofit organization dedicated to supporting individuals and families affected by HIV/AIDS. In addition to my board service, I have held executive leadership positions with several nonprofit organizations, including New Horizons School and Pajaro Valley Loaves and Fishes. These experiences gave me a strong understanding of nonprofit operations, financial accountability, fundraising, organizational planning, and the importance of working collaboratively with a board of directors to support an organization's mission.
Please mark your area(s) of expertise and/or the contribution you feel you can make to further the mission of TPAA (Pick at least one)	Business Management, Finance, Governance
Additional Information	

Why are you interested in servìng as a board member for TPAA?	My interest in serving on the TPAA Board is both personal and professional. As the proud parent of two children currently attending TPAA, I deeply appreciate the educational opportunities the Academy provides. I believe TPAA is one of Palmdale's greatest educational assets and deserves to be supported, strengthened, and provided with the resources necessary to help our students succeed. Throughout my career, I have worked to create opportunities for young people and families. I believe education can change the direction of a child's life, and I want to help ensure that TPAA continues to provide an environment where students can learn, grow, and reach their full potential. I also believe that a successful school depends on strong partnerships between its leadership, teachers, staff, and parents. By listening to one another, communicating openly, and working together, we can better understand and support our students' needs. I would welcome the opportunity to contribute my experience, perspective as a parent, and commitment to the Palmdale community to TPAA's continued success.
What other volunteer commitments do you currently have?	I have no other volunteer commitments at this time. In the past, I served as a volunteer board member for a national nonprofit organization. That experience gave me a strong understanding of the time, dedication, and responsibility that come with board service. Over the years, I intentionally chose not to take on additional board positions because I knew my children needed my time and attention, and I did not want to make a commitment I could not fully honor. I have always believed that serving on a board is a responsibility that should be taken seriously. I am now at a point in my life where I have the time and flexibility to make that commitment. I understand the importance of being an active, engaged, and dependable board member, and I am both willing and able to meet the responsibilities and time requirements of serving on the TPAA Board of Directors.
Please share any other information you feel important for consideration of your	I believe one of the most valuable things I can bring to the TPAA Board is a combination of professional experience, community knowledge, and a parent's perspective. Having worked with children, youth, and families throughout my

application to serve as a TPAA board member	career, I understand that students come from different backgrounds and face different challenges. I believe every child deserves to feel supported, valued, and encouraged to succeed, regardless of their circumstances. My years in nonprofit leadership and municipal government have taught me the importance of responsible decision-making, transparency, collaboration, and stewardship of the resources entrusted to an organization. As a Palmdale resident, City employee, and TPAA parent, I am personally invested in the Academy's future. I would approach board service with an open mind, a willingness to ask questions and learn, and a commitment to making decisions that serve the best interests of all students. I would consider it a privilege to give back to a school that is already making a difference in my own children's lives and to help ensure that future generations of Palmdale students have the same opportunities.
Resume	[redacted]

Email not displaying correctly? View it in your browser.

Patricia Morales
[redacted]
Palmdale, CA 93552
[redacted]

October 14, 2026

Honorable Mayor and Members of the City Council
City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550

Re: Letter of Interest – The Palmdale Aerospace Academy Board of Directors

Dear Mayor and Members of the City Council,

I am writing to express my interest in serving on the Board of Directors of The Palmdale Aerospace Academy (TPAA). This opportunity is especially meaningful to me, not only because of my many years of service to the Palmdale community, but also because I am the proud parent of two children currently attending TPAA.

As a parent, I have a deep appreciation for what TPAA offers to our children. I believe the Academy is one of Palmdale's greatest educational assets and deserves to be nurtured, strengthened, and provided with the resources necessary to help our students succeed. Our young people deserve an education that challenges them, encourages their curiosity, and prepares them for a bright future.

For more than 30 years, my career has focused on serving families, supporting youth, and strengthening communities. Since joining the City of Palmdale in 2010, I have served as SAVES Coordinator and now as Supervising Coordinator of Community Programs. My previous experience as Executive Director of New Horizons School, serving children experiencing homelessness, reinforced my belief that education can change a child's life and that every student deserves the opportunity to succeed. I also bring experience in nonprofit leadership, fundraising, budgeting, and building community partnerships.

I strongly believe that supporting our students begins with building meaningful partnerships between school leadership, teachers, staff, and parents. Each brings an important perspective, and only by listening, communicating openly, and working together can we truly understand and meet the needs of our students. Strong relationships built on trust and mutual respect are essential to creating a school community where every child can thrive.

If appointed, I would bring both my professional experience and my perspective as a TPAA parent to the Board. I would approach this responsibility with an open mind, a willingness to listen and learn, and a genuine commitment to the Academy's continued success.

Palmdale is my home, and I care deeply about the future of our community. I believe investing in our children is one of the most important things we can do, and I would be honored to contribute to that effort through service on the TPAA Board.

Thank you for your time and consideration.

Sincerely,

Patricia Morales

PATRICIA MORALES

Palmdale, California | [redacted]

BOARD OF DIRECTORS CANDIDATE | THE PALMDALE AEROSPACE ACADEMY

PROFESSIONAL PROFILE

Public-sector and nonprofit executive with more than 30 years of experience in organizational leadership, youth and family services, budget oversight, fundraising, community partnerships, and program development. Former executive director of an educational nonprofit serving students experiencing homelessness. Current City of Palmdale leader overseeing community programs that foster youth leadership, civic engagement, and volunteer service. Brings a practical, student-centered perspective to board governance, fiscal stewardship, community engagement, and educational opportunity.

BOARD-RELEVANT EXPERTISE

Governance & Organizational Leadership • Budget & Financial Oversight • Fundraising & Grant Development • Youth Development & Student Support • Strategic Partnerships • Staff & Volunteer Management • Community Outreach • Bilingual & Bicultural Engagement

PROFESSIONAL EXPERIENCE

City of Palmdale — Supervising Coordinator, Community Programs | 2021–Present

- Lead community programs encompassing youth leadership development, civic education, volunteer engagement, and community service initiatives.
- Oversee programs including the iSERVE Youth Leadership Academy, iLEAD Youth Conference, Partners Academy, City Ambassadors, and community-wide service opportunities.
- Coordinate staff, volunteers, City departments, and community organizations to deliver programs and public events; support planning, operations, and responsible use of resources.
- Advance youth leadership through mentorship, service-learning, professional development opportunities, and partnerships that connect young people with civic life.
- Provide operational oversight of SAVES, coordinating community assistance, resource partnerships, and program accountability.

City of Palmdale — SAVES Coordinator | 2010–2021

- Coordinated South Antelope Valley Emergency Services (SAVES), supporting food assistance and essential services for individuals and families.
- Managed day-to-day program operations, community partnerships, volunteer participation, and coordination of resources.
- Worked with regional service organizations and stakeholders to address community needs and strengthen access to assistance.

Pajaro Valley Loaves and Fishes — Executive Director | Watsonville, CA | 2008–2010

- Developed and managed the agency budget; raised approximately $200,000 annually over two years.
- Supervised two employees and more than 65 volunteers; researched, wrote, and managed foundation and corporate grants.
- Collaborated with food pantry networks and community organizations on needs assessments and coordinated strategies; directed media outreach and quarterly newsletters.

New Horizons School — Executive Director | Santa Cruz, CA | 2003–2007

- Led a school-serving nonprofit focused on children experiencing homelessness, including student recruitment, family support, and efforts to promote academic success.
- Created and managed the organizational budget; raised approximately $300,000 annually over four years and developed corporate and foundation relationships.
- Supervised five employees and more than 45 volunteers; served as organizational spokesperson and led grant development, donor communications, and outreach.

EARLIER EXPERIENCE

American Red Cross — Development and Communication Director (2001–2003): Led fundraising, donor outreach, and countywide communications; helped raise more than $900,000 locally in response to September 11. Developed a major-gifts initiative and coordinated public events, media relations, newsletters, and in-kind donations.

Children's Mental Health — Mental Health Client Specialist (1997–2001): Provided bilingual and bicultural child and family services, assessments, referrals, and interagency coordination.

Fénix Services — Youth and Family Senior Counselor (1994–1997): Provided bilingual family support and supervised four counselors.

Pájaro Valley Prevention & Student Assistance, Inc. — Gang Prevention Specialist (1992–1994): Organized after-school and summer programs and supervised six high-school student interns.

EDUCATION & PROFESSIONAL DEVELOPMENT

University of California, Santa Cruz — Studies in Political Science; minor in Philosophy (1989–1994).

Graduate, Multicultural Leadership and Training Institute, Community Foundation for Monterey County (2003). Certified Trainer, American Red Cross International Services and International Humanitarian Law; Cara y Corazón parenting curriculum.

BOARD SERVICE & RECOGNITION

Board Member, AIDS, Medicine and Miracles. • Santa Cruz County Education Hero Award (2006).

From: noreply@civicplus.com
Sent: Thursday, October 29, 2026 11:52 AM
To: City Clerk
Subject: [EXTERNAL] Online Form Submittal: The Palmdale Aerospace Academy Board Member Application

CAUTION: This email originated from outside of the organization.

The Palmdale Aerospace Academy Board Member Application

The Palmdale Aerospace Academy Board Member Application

The Board meets twice a month on the 2nd and 4th Tuesdays of each month, at 5:30 p.m. at the Palmdale Aerospace Academy located at 3300 E. Palmdale Blvd., Palmdale.

Applications are due by the deadline date of Thursday, Oct. 29, 2026, at 6 p.m.
Applicants are encouraged to attach a resume.

Full Name	Firat Taxpulat
Address	[redacted]
City	Palmdale
State	California
Zip Code	93551
Cell Phone	[redacted]
Email	[redacted]
Current Employer	UCLA
Current Position	Graduate Student
Experience	
Please list any relevant experience and/or employment	My experience combines aerospace software engineering, artificial intelligence, robotics research, and STEM education. I currently work part time at Lawrence Livermore National Laboratory, developing electricity demand models for power-

	grid research. Previously, I served as a Senior Software Engineer at Lockheed Martin Skunk Works and an AI Research Engineer at the Lockheed Martin Artificial Intelligence Center. Before joining Lockheed Martin, I developed instrumentation software at Edwards Air Force Base through JT4. I hold an M.S. in Computer Science from Georgia Tech and a B.S. in Applied Mathematics from UCLA, where I am currently pursuing graduate studies in Aerospace Engineering. My research at Georgia Tech focuses on algorithms for robotics and has contributed to a peer-reviewed publication. My educational and community experience includes serving as Lead Computer Vision Mentor for TPAA's FIRST Robotics Competition Team 5012, Gryffingear; supporting the Aerospace Robotics Competition as a leadership committee member, volunteer coordinator, and mentor; and judging SAE Aero Design competitions. I also served as a course facilitator for Stanford's Deep Learning for Computer Vision course, leading office hours and grading assignments. These experiences inform how I can support TPAA's connections among classroom learning, higher education, and technical careers.
Please list prior experience serving as a board member for non-profit organizations	I have served on The Palmdale Aerospace Academy's Board of Directors since July 2025 as a City of Palmdale Council appointee and was recently elected Board Treasurer. This service has given me experience with nonprofit school governance and working with fellow board members to support the Academy's educational mission. As Treasurer, I am committed to careful financial oversight, transparency, and responsible stewardship of school resources.
Please mark your area(s) of expertise and/or the contribution you feel you can make to further the mission of TPAA (Pick at least one)	Curriculum, Instruction and Assessment, Governance
Additional Information	
Why are you interested in servìng as a board member for TPAA?	I grew up in Palmdale and attended Highland High School, so serving TPAA is an opportunity to contribute to the community that shaped me. Although the Antelope Valley is home to major aerospace employers, students need access to mentors and practical experiences to understand how they can become part of that work. I want to help provide opportunities that I would have benefited from growing up.

	My experience mentoring TPAA's Gryffingear robotics team strengthened this commitment. Working directly with students connected my engineering background with their learning and career interests. My subsequent board service has given me another way to support those opportunities across the school. I want to continue supporting strong academics, practical learning experiences, and partnerships with industry and higher education. I would bring the perspective of a local public-school graduate, engineer, researcher, and mentor to decisions that help students prepare for college, technical training, and careers.
What other volunteer commitments do you currently have?	My main current volunteer commitment is serving on TPAA's Board of Directors, where I was recently elected Treasurer. My past service included coordinating volunteers for the Aerospace Robotics Competition, evaluating how clearly SAE Aero Design teams explained and justified their engineering decisions, and helping Gryffingear students troubleshoot problems and refine their work. These experiences strengthened my ability to organize volunteers, provide constructive feedback, and guide students through challenges.
Please share any other information you feel important for consideration of your application to serve as a TPAA board member	As a resident who grew up in Palmdale, I value the role public education and mentorship can play in helping students recognize their opportunities. I am particularly interested in reaching students who have limited access to STEM mentors and helping them see a place for themselves in technical fields. In 2024, I received the Antelope Valley Bridge Award in recognition of my work supporting local STEM education and student career preparation. My commitment to this community extends across my professional work, volunteering, and board service. I would continue bringing that commitment to TPAA by listening to students, families, and staff, preparing carefully for board decisions, and keeping student needs central to my service.
Resume	[redacted]

Email not displaying correctly? View it in your browser.

Firat Taxpulat

Palmdale, CA 93551

Education

University of California – Los Angeles, Los Angeles, CA — Sep. 2017 – Present
M.S./PhD in Aerospace Engineering; Sep. 2025 - Present — GPA: 3.91
B.S. in Applied Mathematics; Sep. 2017 – Sep. 2021 — GPA: 3.56, Major GPA: 3.85

Georgia Institute of Technology, Atlanta, GA — Aug. 2023 – Aug. 2026
M.S. in Computer Science; Concentration: Machine Learning — GPA: 4.0

Stanford University, Stanford, CA — Jan. 2022 – Dec. 2024
Robotics and Autonomous Systems Non-Degree Option — GPA: 4.007

Research

Research Assistant, Borglab
Advised by Dr. Frank Dellaert at Georgia Tech — Jan. 2025 – Present
- Developing pose estimation algorithms, including FAST-Sync and spectral synchronization.

Research Assistant & Image Processing Lead, Aquabots: Maritime Robotics VIP
Advised by Dr. Michael E. West at Georgia Tech — Jan. 2024 – May 2025
- Incorporated Gaussian filters and unsharp masking to deblur underwater training footage for YOLOv8 model tracking salmon to analyze ecological recovery after Exxon Valdez oil spill.

Team Lead & Co-Founder, NASA RASC-AL Research Competition Team – Project Swarm
Advised by Dr. Jay W. Summet at Georgia Tech — Dec. 2023 – Jan. 2025
- Led development of self-sustaining multi-robot swarm space vehicle focusing on AI-driven asteroid resource extraction, autonomous refueling, and self-repair.

Research Assistant, Design Intelligence Laboratory
Advised by Dr. Ashok K. Goel at Georgia Tech — May 2024 – Dec. 2024
- Built autoscorer assessing quality of answers produced by Jill Watson, an AI teaching assistant.

Research Assistant, Billi Research Lab
Advised by Dr. Fabrizio Billi at UCLA — Mar. 2019 – Jun. 2019
- Created a GUI to control a thermocouple and real-time record and graph its temperatures.

Work Experience

Graduate Student Intern & GEM Fellow, Lawrence Livermore National Laboratory
Strategic Threat Analysis and Response Directorate, Livermore, CA — Jun. 2026 – Present
- Developing a spatiotemporal load modeling framework integrating AutoBEM, ResStock, and ComStock data to quantify hourly energy use and regional peak demand for U.S. counties.

AI Research Engineer, Lockheed Martin Artificial Intelligence Center
Cognitive Mission Manager Division, Palmdale, CA — Jun. 2025 – Apr. 2026
- Built an LLM reasoning benchmark pipeline, including dataset decontamination, sampling experimentation, and modular YAML configurations; researched latest RLVR/RLHF methods.

Course Facilitator, Stanford Engineering Center for Global & Online Education
XCS 231N: Deep Learning for Computer Vision, Stanford, CA — Sep. 2025 – Jan. 2026
- Led office hours, managed Slack and email communications, and graded assignments.

Software Engineer & Senior Software Engineer, Lockheed Martin Aeronautics
Advanced Development Programs / Skunk Works, Palmdale, CA — Mar. 2022 – Jun. 2025
- Engineered safety critical software for an aircraft's flight functions and maneuvering.
- Designed and implemented the aircraft's engine health monitoring system, including oil pressure monitoring, overheat temperature checks, and abnormal engine start detection.

SDE Intern, Programmer I, & Computer Scientist I, JT4
Electrical Instrumentation Team, Edwards Air Force Base, CA — Jun. 2019 – Feb. 2022
- Integrated lighter GPS and data storage system worn by U.S. Air Force paratroopers.
- Implemented telemetry IRIG 106 Chapter 11 Standards into U.S. Air Force Py106 code.

Publications

• **F. Taxpulat**, C. Schmidter, S. Holmes, Y. Luo, D. Rosen, F. Dellaert, "A Spectral Method of Moments for Synchronization over General Matrix Lie Groups" (In-Progress)
• **F. Taxpulat**, A. Teyber, D. Chassin, "Scalable Data-Integration for County-Level Hourly Building Load Profiles", in *IEEE Power & Energy Society General Meeting*, Nov. 2026 (Submitted)
• S. Holmes, Y. Luo, **F. Taxpulat**, D. Rosen, F. Dellaert, "FAST Sync: Fast Group Synchronization for Any Matrix Lie Group" in *IEEE Robotics and Automation Letters*, vol. 11, no. 9, Sep. 2026

Posters

• Andrew Gray, **Firat Taxpulat**, Zhidi Yang, Michael A. Cullinan, Jonathan B. Hopkins, "Scalable Thermoelectric MEMS Actuators for Robotic Programmable Materials with Tunable Stiffness" in *American Society for Precision Engineering Annual Meeting*, Sep. 2026 (Submitted)
• Sofia Castro, Andrew Gray, Suhaas Patil, **Firat Taxpulat**, Zhidi Yang, Michael A. Cullinan, Jonathan B. Hopkins, "Modeling Thermal Interface Effects in SOI MEMS Actuators" in *American Society for Precision Engineering Annual Meeting*, Sep. 2026 (Submitted)
• **F. Taxpulat**, "AutoBEM Data for Load Forecasts" in *National GEM Consortium 50th Annual Board Meeting and Conference*, https://doi.org/10.2172/3684123, Sep. 2026
• **F. Taxpulat**, "Enhancing Fish Detection with Bilateral Filtering, Unsharp Masking, and CLAHE" in *Georgia Tech Career, Research, and Innovation Development Conference*, Feb. 2025
• **F. Taxpulat**, "Aerial Wildfire Detection" in *Stanford University CS231N Poster Session*, Jun. 2024

Presentations

• **F. Taxpulat**, Z. Y. Chong, & H. Yoon, "Maritime Activity Detection from Time Series Data" in *Lockheed Martin Exchange AI Summit,* Oct. 2024
• **F. Taxpulat** & P. Brophy "Integrating First-Year Mentors into a Veteran FRC Team" in *2024 FIRST Mentor Conference @ Google Mountain View,* Aug. 2024

Awards & Honors

GEM Fellowship
The National GEM Consortium, Selected by Lawrence Livermore National Laboratory, May 2026
- Awards graduate studies tuition, annual stipend, and research opportunities with LLNL.

Science, Mathematics, and Research for Transformation (SMART) Scholarship
U.S. Department of War, Mar. 2025
- Provides graduate studies tuition, annual stipend, and research opportunities with U.S. DoD.

Lockheed Martin Advanced Technical Leadership Program (ATLP) Candidate
Class of 2026 Candidate, Oct. 2024
- Completed technical leadership curriculum involving stretch assignments and mentoring.

Lockheed Martin Voices of LM Recipient
Chosen by LM AeroCares, Jul. 2024
- Featured in insideLM article for STEM mentoring and spearheading LM volunteering efforts.

Antelope Valley Bridge Award
Awarded by A.V. Union High School District Superintendent & Board of Trustees, Apr. 2024
- Recognized for my ARC leadership and supporting district student career prep programs.

Lockheed Martin AI/ML Scholar
2024 Cohort, Mar. 2024
- Completed AI Fundamentals Program and presented capstone at LM Exchange AI Summit.

Community Engagement

Board of Directors & Board Treasurer, The Palmdale Aerospace Academy
City of Palmdale Council Appointee, Palmdale, CA — Jul. 2025 – Present

Venice-Barry Unit Representative, University Apartments South Residents Association
UCLA Graduate Housing, Los Angeles, CA — Jun. 2026 – Present

Lead Computer Vision Mentor, The Palmdale Aerospace Academy
FIRST Robotics Competition Team 5012: Gryffingear, Palmdale, CA — Nov. 2023 – May 2026

Leadership Committee Member, Volunteer Coordinator, & Mentor, STEM-ED Org.
Aerospace Robotics Competition (ARC), Palmdale, CA — Jan. 2023 – Mar. 2025

Skills

Programming Languages: C, C++, Python, & Matlab **Human Languages:** English, Uyghur, Spanish, & Latin

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OFFICE OF THE CITY MANAGER**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **REVIEW AND PROVIDE DIRECTION ON CHANGES TO EXISTING COMMITTEE APPOINTMENTS**

RECOMMENDATION

Staff recommend that the City Council:

1. Review and provide direction on changes to existing committee appointments.

BACKGROUND

City Council members currently represent the City on various local and regional committees, boards, and commissions to ensure the City is properly represented.

Appointments of Councilmembers and designated alternates require nomination and approval by a majority vote of the City Council. Councilmembers serve on these committees at the discretion of the Council. If a Councilmember is no longer able to serve, a formal request for removal must be submitted. In such cases, if an alternate has been appointed, the alternate may assume the role on an interim basis until the Council makes a new appointment.

DISCUSSION

Annually, the Council reviews current committee assignments to evaluate their interest in serving as the City's representative on various local and regional boards. Based on this review, the Council decides whether to maintain existing assignments or make adjustments.

ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT (AVAQMD)

Health and Safety Code Section 41310 states, "The AVAQMD shall be governed by a district board consisting of seven members as follows: (a) Two members of the City Council of the City of Lancaster appointed by the city council. (b) Two members of the City Council of the City of Palmdale appointed by the City Council. (c) Two persons

appointed by the member of the Board of Supervisors of the County of Los Angeles who represent a majority of the population of the Antelope Valley District, one of whom may be that supervisor. (d) A public member who shall be appointed by the members appointed under subdivisions (a) to (c), inclusive."

Meetings are held on the third Tuesday of each month at 10:00 am at the Lancaster District office, 43301 Division Street, Suite 206, Lancaster, CA.

Delegate: Mayor Pro Tem Bishop
Delegate: Mayor Ohlsen
Alternate: Councilmember Bettencourt

ANTELOPE VALLEY FAIRGROUNDS AUTHORITY

The Antelope Valley Fair Authority is a Joint Powers Agreement between the City of Lancaster and the 50th District Agricultural Association. The Authority shall be administered by a Board of Directors consisting of eight members as follows: 1) One member shall be designated by the State Senator for the District in which the Antelope Valley Fairgrounds are located, 2) One member shall be designated by the State Assemblymember for the District in which the Antelope Valley Fairgrounds are located, 3) Two members shall be designated by the Mayor of the City of Lancaster, with concurrence of the City Council, and 4) One member shall be a member of the Board of Directors of the Association, shall be designated by such Board and serve as a liaison between the Board for the Authority and the Board for the Association 5) One member shall be a member of the Board of Directors of the Friends of the Antelope Valley Fair, Inc. and shall be designated by the Mayor of the City of Lancaster, 6) One member shall be designated by the Mayor of the City of Palmdale, with concurrence of the City Council, and 7) One member shall be designated by the Los Angeles County Supervisor of the District in which the Antelope Valley Fairgrounds are located.

Meetings are held on the 4th Thursday of each month at 1:30 p.m. at the Antelope Valley Fairgrounds, 2551 W. Avenue H, Suite 102, Lancaster, CA.

Delegate: Councilmember Loa

ANTELOPE VALLEY TRANSIT AUTHORITY (AVTA)

The AVTA is governed by a Joint Powers Agreement between the cities of Lancaster and Palmdale, and Los Angeles County. AVTA was established in 1992 after Antelope Valley residents expressed a strong desire for public transportation in the high desert. AVTA's total service area covers 1,200 square miles and is bounded by the Kern County line to the north, the San Bernardino County line to the east, the Angeles National Forest to the south, and Interstate 5 to the west. The fixed-route service area covers approximately 100 square miles.

Meetings are held on the fourth Tuesday of each month at 10:00 am at the AVTA office at 42210 6th Street West, Lancaster, CA.

Delegate:	Mayor Ohlsen
Delegate:	Councilmember Loa
Alternate:	Councilmember Bettencourt
Alternate:	Citizen Kathryn Mac Laren-Gomez

CALIFORNIA CONTRACT CITIES ASSOCIATION (CCCA)

The general purpose of the CCCA is to serve as a rallying point for cities contracting for municipal services to ensure constituents receive the best service at the minimum cost. Through municipal seminars, education, and the exchange of ideas and information, the association combines resources to influence policy decisions affecting member cities.

Meetings are held as needed at various locations determined by the CCCA.

Delegate:	Councilmember Alarcon
Alternate:	Mayor Pro Tem Bishop

CITY OF PALMDALE AUDIT COMMITTEE

The goal of the Audit Committee is to maintain the public's confidence in the City's financial functions, enhance the accessibility of the City's financial matters to our citizens, and promote the City's financial transparency. Under the Committee's by-laws, it shall be comprised of five members: two councilmembers, the City Manager, the Finance Manager, and one public member. Committee members shall not receive compensation nor be eligible for reimbursement.

Meetings are held in the spring and fall of each year at a time to be determined in the Palmdale Council Chamber at 38300 Sierra Highway, Suite B, Palmdale, CA.

Delegate:	Mayor Pro Tem Bishop
Delegate:	Councilmember Bettencourt
Alternate:	Councilmember Loa
Public Member:	Vacant

CITY OF PALMDALE INVESTMENT OVERSIGHT COMMITTEE

The Investment Oversight Committee was created under the City's Investment Policy and is comprised of the Mayor, one rotating Councilmember, the City Manager, the City Treasurer, and the City Attorney. Committee members serve without compensation and shall meet at least quarterly to determine general strategies and monitor results.

Meetings may be held concurrently with City Council meetings or as separate meetings.

Member: Mayor Ohlsen (Must be Mayor per Investment Policy)
Member: Councilmember Loa (Council rotates per Investment Policy)

ENHANCED INFRASTRUCTURE FINANCING DISTRICT (EIFD) PUBLIC FINANCING AUTHORITY (PFA)

The City of Palmdale, in partnership with the County of Los Angeles, established an Enhanced Infrastructure Financing District (EIFD) in the boundaries of Palmdale and unincorporated Los Angeles County. The District's purpose is to create a funding mechanism that can facilitate the construction of public infrastructure improvements in this area. The EIFD PFA membership is comprised of two Councilmembers, one public member selected by the Council, one member of the County, and a member of the public selected by the County. Members shall serve at the pleasure of their respective appointing legislative bodies.

Meetings are held as needed in the Palmdale Council Chamber at 38300 Sierra Highway, Suite B, Palmdale, CA.

Member: Mayor Pro Tem Bishop
Member: Councilmember Loa
Public Member: Gene Yang

HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY (HDC JPA)

The purpose of the HDC JPA is to enhance the quality of life for our communities by developing and maintaining public infrastructure and providing a variety of municipal services that complement our natural resources and environment. Under the Joint Exercise of Powers Agreement, one member shall be the Fifth District Supervisor of Los Angeles County, and the alternate member shall be appointed by the Fifth District Supervisor.

Meetings are held as needed, and the location rotates between Los Angeles and San Bernardino counties. Occasionally, meetings are held in Palmdale and Victorville. The City's appointments are to be ratified by the Authority.

Director: Mayor Ohlsen
Alternate: Councilmember Loa

CAL CITIES DESERT MOUNTAIN DIVISION (DMD)

Cal Cities' policy-making process allows the issues facing California cities to be debated and the organization's policy directions to be established. Member cities generally appoint a Councilmember as a delegate and an alternate.

Meetings are held quarterly on the last Friday of the month at 10:00 am in various cities.

Delegate: Councilmember Alarcon
Alternate: Councilmember Bettencourt
Second Alternate: Councilmember Loa

LOS ANGELES COUNTY CITY SELECTION COMMITTEE

Members of the LA County City Selection Committee include the Mayor of each city within Los Angeles County. Each city appoints an elected official as a delegate to the City Selection Committee; it usually is the Mayor. The term of office for each Member of the LA County City Selection Committee coincides with City Mayor terms. Their duties are to appoint City representatives to such Boards, Commissions and Agencies as may be required by law, i.e., LAFCO, South Coast Air Quality Management District, Los Angeles County Metropolitan Transportation Authority; and to nominate for appointment Members to the California Coastal Commission.

Nominations for the City Selection Committee appointees to the MTA are made by the Sector Subcommittees for the Sectors whose representatives' terms are expiring. The cities assigned to one of the four regions in Los Angeles County (North County/San Fernando Valley, San Gabriel Valley, Southeast Long Beach and Southwest Corridor) shall meet as a Sector Subcommittee. Each candidate with a majority weighted vote will then be nominated from that Sector for consideration for appointment to the MTA.

Meetings are held three or four times a year.

Delegate: Councilmember Loa

LOS ANGELES COUNTY SANITATION DISTRICTS (NOS. 14 AND 20)

The Sanitation Districts are a public agency created under state law to manage wastewater and solid waste on a regional scale. They consist of 24 independent special districts serving about 5.6 million people in Los Angeles County. The service area covers approximately 850 square miles and encompasses 78 cities and unincorporated territory within the County. Health and Safety Code Section 4730 states, "The presiding officer of the governing body of each city, the whole or part of which is included in the sanitation district, is a member of the board, and an alternate director may act in the place of the presiding officer." **The Mayor is the presiding officer of the Palmdale City Council and, therefore, automatically serves as a delegate.**

Meetings are held at 1:30 pm on the fourth Wednesday of each month at the Sanitation Districts office at 1955 Workman Mill Road in Whittier or a venue in the Antelope Valley.

District No. 14
Delegate: Mayor Ohlsen (**Must be Mayor per H&S Code §4730**)
Alternate Director: Mayor Pro Tem Bishop

District No. 20

Delegate: Mayor Ohlsen (**Must be Mayor per H&S Code §4730**)
Second Director: Mayor Pro Tem BishopCouncilmember Bettencourt
Alternate Director: Councilmember Loa

NORTH LOS ANGELES COUNTY TRANSPORTATION COALITION (NCTC)

The NCTC was assembled in 1995 to coordinate information and provide a forum for discussion on regional issues of mutual interest and concern among the cities of Lancaster, Palmdale, Santa Clarita, and the unincorporated areas of North Los Angeles County. NCTC Joint Powers Authority states, "The cities of Lancaster, Palmdale, and Santa Clarita shall have three representatives each: A City Councilmember, a business or community organization representative appointed by the City Council, and a representative at large appointed by the City Council."

Meetings are held as needed in rotating Palmdale, Lancaster, and Santa Clarita locations.
Delegate: Mayor Ohlsen
Alternate: City Manager Mendez
Business Rep: Mayor Pro Tem Bishop
At-Large Rep: Councilmember Loa

PALMDALE RECYCLED WATER AUTHORITY (PRWA)

The PRWA was established in 2012 through a Joint Exercise of Powers Agreement between the City of Palmdale and the Palmdale Water District (PWD) to jointly study, promote, develop, distribute, construct, install, finance, use and manage recycled water resources created by the Los Angeles County Sanitation Districts Nos. 14 and 20 for any and all reasonable and beneficial uses, including irrigation and recharge, and to finance the acquisition and construction or installation of recycled water facilities, recharge facilities, and irrigation systems.

The First Amendment to the Joint Exercise of Powers Agreement provides for a five-member Authority Board wherein each entity appoints two members from their respective governing boards to serve on the Authority Board and jointly appoint the "Fifth Director" (Public Member Director). The City and PWD appoint the Fifth Director (and Authority Board ratifies the appointment. Under the PRWA, an alternate may be appointed.

Meetings are held on the third Monday of the month at 6:00 pm in the Palmdale Council Chamber, 38300 Sierra Highway, Suite B, Palmdale, CA.

Director: Councilmember Bettencourt
Director: Mayor Pro Tem Bishop
Alternate: Councilmember Loa
Public Member: Vacant (The Directors are designated by the City Council and ratified by the TPAA pursuant to the TPAA by-laws.)

PALMDALE TOURISM IMPROVEMENT DISTRICT (PTID)

The City and local hoteliers developed the PTID to promote Palmdale's tourism and tourism business environment through the development and operation of the PTID. The Board consists of seven Directors; four representatives from the hotels that pay into the TID assessment; one City Councilmember, one City staff, and one public member, who may be a representative of a non-lodging hospitality or tourism sector in the City. The City Councilmember, staff person, and public members are appointed by the Council. Directors serve a three-year term and receive no compensation or reimbursement.

Meetings are held bi-annually and rotate locations between hotels.

Director: Mayor Pro Tem Bishop

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY

The SCAG General Assembly approves the bylaws, ratifies election of officers, and SCAG's budget. The General Assembly Delegate Representative has the opportunity to propose any policy matter for determination by the General Assembly in the form of a proposed Resolution or revisions to the SCAG Bylaws. All proposed resolutions and/or bylaw revisions will be reviewed by SCAG's Bylaws and Resolutions Committee and the Regional Council before being considered at the General Assembly business meeting.

Delegate: Mayor Ohlsen
Alternate: Councilmember Loa

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) REGIONAL COUNCIL DISTRICT 43

The Regional Council has general authority to conduct the affairs of SCAG and implements the policy direction provided at the annual General Assembly of the membership. In addition, the Regional Council acts upon policy recommendations from SCAG policy committees and external agencies; appoints committees to study specific problems and programs; amends, decreases, or increases the proposed budget to be reported to the General Assembly; and directs the actions of the agency throughout the year.

The delegate of SCAG Council District 43 is a two-year term to expire in January 2027.

Delegate: Mayor Pro Tem Bishop

PALMDALE SISTER CITY ASSOCIATION

President Eisenhower initiated the United States/Mexico Sister City Program in 1956. The program works to develop one-on-one community relations with cities in other countries so that people can cross national boundaries, get to know each other personally and form mutual respect and understanding of other cultures. City officials and the Palmdale Sister City Association members exchange visits to each city to foster the Sister City Program relationship. The Council may appoint as many representatives as desired.

Palmdale Sister City Association meetings are held on the second and fourth Wednesdays of each month at 6:00 pm at Legacy Commons, 930 E Avenue Q-9, Palmdale, CA.

Delegate:	Councilmember Alarcon
Delegate:	Councilmember Loa
Alternate:	Councilmember Bettencourt
Alternate:	Mayor Pro Tem Bishop

CALIFORNIA STATE PRISON – LOS ANGELES COUNTY, CITIZENS ADVISORY COMMITTEE

The primary objective of the Citizen's Advisory Committee is to promote communication between the institution and the community. This includes building goodwill and support, allaying community fears, and increasing public awareness and support by receiving and sharing information about the prison and the Department's policies, regulations, and programs.

Meetings are held quarterly in the Warden's Conference Room at the prison.

Delegate:	Councilmember Bettencourt
Alternate:	Councilmember Loa

LITTLEROCK DAM RECREATIONAL PROJECT AD HOC SUBCOMMITTEE

This Ad Hoc Committee will review and provide recommendations pertaining to the Littlerock Dam Recreation Project in conjunction with the Palmdale Water District.

Delegate:	Mayor Ohlsen
Delegate:	Councilmember Loa

FISCAL IMPACT

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

STRATEGIC PLAN

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

D. Strengthen regional, state, and national partnerships to enhance our legislative presence.

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:	Taylor Anderson, Deputy City Attorney

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT ORDINANCE NO. 1671, AN ORDINANCE AMENDING PALMDALE MUNICIPAL CODE SECTION 3.08.240 ESTABLISHING REPORTING REQUIREMENTS FOR THE EXERCISE OF DELEGATED AUTHORITY TO CITY MANAGER**

RECOMMENDATION

Staff recommend that the City Council:

1. Review and consider the proposed amendment to Palmdale Municipal Code Section 3.08.240; and,

2. Adopt Ordinance No. 1671, an Ordinance of the City Council of the City of Palmdale, California, amending Palmdale Municipal Code Section 3.08.240, establishing reporting requirements for the exercise of delegated authority.

BACKGROUND

At its August 4, 2026, meeting, the City Council considered options for oversight of delegated authority granted to the City Manager and directed staff to prepare an item establishing Council oversight and reporting requirements to enhance transparency and accountability.

DISCUSSION:

The proposed ordinance adds a new reporting in subsection PMC 3.08.240(E) requiring the City Manager to provide quarterly reports summarizing actions taken under delegated authority, including contracts, purchase orders, entertainment agreements, settlements, releases, and other relevant transactions. The amendment also specifies the minimum content of such reports and requires retention and availability of supporting documentation.

In addition to establishing a regular reporting schedule, the ordinance provides a clear framework for how delegated authority is monitored and communicated to the City Council. This structure ensures that administrative actions taken under existing approval thresholds remain visible to the Council without disrupting operational efficiency. The reporting requirement also supports internal audit functions, reinforces compliance with procurement procedures, and provides a consistent mechanism for documenting and reviewing transactions executed under delegated authority.

FISCAL IMPACT

$0; There is no fiscal impact associated with adoption of this ordinance.

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:	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:	Taylor Anderson, Deputy City Attorney

ATTACHMENTS

Ord. No. 1671

CITY OF PALMDALE, A CHARTER CITY
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1671

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE, AMENDING PALMDALE MUNICIPAL CODE SECTION 3.08.240 TO ESTABLISH REPORTING REQUIREMENTS FOR THE EXERCISE OF DELEGATED AUTHORITY TO THE CITY MANAGER

A. RECITALS

WHEREAS, the City of Palmdale maintains procurement procedures and approval authorities intended to ensure transparency, accountability, and efficient administration of City contracts, purchase orders, amendments, and change orders; and

WHEREAS, Palmdale Municipal Code Section 3.08.240 establishes the approval authority of the City Manager and City Council for purchase orders, contracts, contract amendments, and change orders; and

WHEREAS, the City Council desires to clarify and strengthen reporting requirements related to the exercise of delegated authority by the City Manager and designated department representatives; and

WHEREAS, establishing a structured reporting process will enhance fiscal oversight, ensure compliance with procurement procedures, and provide the City Council with timely information regarding significant administrative actions; and

WHEREAS, the City Council further finds that requiring periodic reporting of contracts, purchase orders, entertainment agreements, settlements, releases, and other transactions executed under delegated authority promotes transparency and supports effective governance while preserving the City Manager's responsibility for the day-to-day administration of City government; and

WHEREAS, the City Council intends that reporting obligations shall not be construed as requiring prior Council approval for matters lawfully within the City Manager’s delegated authority; and

B. ORDINANCE

THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein by this reference as material findings in support of this Ordinance.

SECTION 2. Section 3.08.240 of the Palmdale Municipal Code is hereby amended to add subsection (E) as follows:

3.08.240 Approval of purchase orders, contracts, contract amendments and change orders.

(A) The approval authority for all purchase orders, contracts, contract amendments, and change orders shall be set forth as follows:

(1) The City Manager shall have the authority to review, approve, and execute, on behalf of the City, all purchase orders or contracts for the purchase or acceptance of goods, materials, supplies, and services in an amount not exceeding $125,000 per purchase order or contract, so long as the proper procurement procedures set forth in this Chapter have been followed.

2) All purchase orders or contracts in excess of $125,000 or change orders that cause the total contract or purchase order to exceed $125,000 shall be submitted to the City Council for approval.

(3) The City Manager shall have the authority and discretion, up to the amount authorized under Subsection (A)(1) of this Section, to delegate the authority to review, approve, and execute contracts, purchase orders, contract amendments, and change orders of goods, materials, supplies, and services to specific department representatives based on the needs of the organization.

The department representative exercising such authority given above shall ensure that the total of all contracts, purchase orders, contract amendments, and change orders does not exceed their delegated authority on a single contract or purchase order per fiscal year period, so long as the proper procurement procedures set forth in this Chapter have been followed.

(B) For contracts under $125,000, the City Manager shall have the authority to approve in writing any change order directing an addition, deletion, or revision to such purchase orders or contracts; however, in no event shall the sum total of the purchase order or contract, including all such change orders, exceed $125,000 per purchase order or contract. Any change order in which a contract or purchase order will exceed $125,000 will require City Council approval.

(C) After the effective date of any contract approved by the City Council for the purchase of services, equipment or supplies, the retention of professional services, or work on a public project, the City Manager shall have authority to approve in writing any amendment or change order directing an addition, deletion or revision in such contract, including, without limitation, plans, specifications, and the nature or quantity of services, equipment, supplies or work, so long as the cumulative dollar value of all such change orders relating to any one contract shall not exceed 15 percent of the original contract price unless City Council has authorized a different change order amount for a specific contract.

(D) Any change order exceeding the limitations set forth in Subsection (**C**) of this Section shall be submitted to the City Council for approval in the form of a contract amendment or supplemental agreement. Such amendment or supplemental agreement shall set forth the amended contract price, which will constitute the new contract price for purposes of the authority for City Manager-approved change orders or amendments in accordance with Subsection (**A**) of this Section.

(E) The City Manager shall provide reports and recommendations to the City Council regarding the exercise of delegated authority, as required by law or as directed by Council action, in accordance with the following:

1. Format of Reports. The City Manager may report to the City Council through written staff reports, memoranda, agenda items, financial or administrative reports, presentations at regular or special City Council meetings, or any other reporting format approved or accepted by the City Council.

2. Quarterly Reporting Requirement. At a minimum, the City Manager shall provide a quarterly report, in a format determined by the City Manager and consistent with Council direction, summarizing actions taken under delegated authority since the prior report and identifying any matters requiring Council consideration or action.

3. Scope of Reporting. Reports shall include, as appropriate, contracts, purchase orders, entertainment agreements, settlements, releases, and other transactions executed under delegated authority.

4. Required Content of Reports. Reports concerning the exercise of delegated authority shall identify, as applicable, the type of transaction, amount, purpose, funding source, and the specific delegated authority under which the action was taken

5. Supporting Documentation Required. The City Manager shall maintain supporting documentation for all reported transactions and shall make such documentation available to the City Council, City Attorney, City Auditor, or other authorized City officials as required by law or City policy.

6. Effect of Reporting. Reporting to the City Council shall not be construed as requiring prior Council approval of matters that fall within the City Manager's lawfully delegated authority under this Chapter.

SECTION 3. California Environmental Quality Act. The City Council finds the approval of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") because adoption of the ordinance is not a project pursuant to Guidelines §15378(b)(2) as it is a governmental organizational action with no potential for a physical environmental impact. Alternatively, the ordinance is exempt under Guidelines §15061(b)(3) because there is no possibility it will result in a significant effect on the environment.

SECTION 4. 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 or 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 5. All legal pre-requisites and pre-conditions to the introduction, enactment and adoption of this Ordinance have occurred as required by law and policy.

SECTION 6. The City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

PASSED, APPROVED and **ADOPTED** this_____ day of _____, 2026.

Approved as to form:

_____
Aleks Giragosian
City Attorney

_____
Eric Ohlsen
Mayor

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 _____ day of _____, 20___ effective on the ____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____ _____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY ATTORNEY'S OFFICE**

DISTRICT: **ALL**

SUBJECT: **ADOPT CITY ATTORNEY OVERSIGHT POLICY**

RECOMMENDATION

Staff recommend that the City Council:

1. Review and consider the proposed City Attorney Oversight Policy; and,

2. Adopt the proposed policy establishing a consistent framework for City Council oversight, communication, performance evaluation, accountability, and related administrative matters concerning the City Attorney.

BACKGROUND

At its August 4, 2026 meeting, the City Council discussed creating a City Attorney Oversight Policy and directed staff to develop a consistent process for overseeing the City Attorney, including communication, performance evaluations, accountability, and related administrative matters.

The City Attorney is the City's chief legal advisor and provides legal services to the City Council, City Manager, City departments, boards, commissions, and other authorized City entities.

State law gives city councils authority over the appointment of city attorneys. Because Palmdale is a charter city, the City Charter, Municipal Code, state and federal law, and the City Attorney's employment agreement must all be considered when managing the position.

The proposed policy does not give the City Attorney any new legal authority**.** Instead, it explains how the City Council will carry out its existing oversight responsibilities and how the Council and City Attorney will work together regarding legal services, expectations, communication, and accountability.

DISCUSSION

The purpose of the policy is to create a clear and consistent process for City Council oversight of the City Attorney.

The policy is intended to:

- Clearly define the roles of the City Council and City Attorney.
- Provide for regular performance evaluations.
- Set clear communication and reporting expectations.
- Promote accountability, professionalism, and ethical legal services.
- Protect attorney-client privilege and confidential communications.
- Ensure legal advice remains independent, objective, and consistent with the law.

The policy also makes clear that it does not interfere with the City Attorney's professional responsibilities, attorney-client obligations, professional conduct rules, or attorney-client privilege.

The proposed policy addresses:

- Appointment and Council Oversight
- Role and Responsibilities of the City Attorney
- Council-City Attorney Relationship
- Communications with Individual Council Members
- Attorney-Client Privilege and Confidentiality
- Closed Sessions
- Annual Performance Evaluation
- Evaluation Process
- Performance Concerns
- Budget and Administration
- Outside Council
- Litigation Claims and Settlements
- Contracts and Legal Documents
- Ethics and Conflicts of Interest
- Independence of Legal Advice
- Public Transparency
- Council Direction
- Removal and Employment Actions
- Periodic Policy Review

FISCAL IMPACT

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

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

ATTACHMENTS

City Attorney Oversight Policy

City Attorney Oversight Policy

PURPOSE

The purpose of this policy is to establish a clear and consistent process for City Council oversight, evaluation, and accountability of the City Attorney.

The City Attorney serves as the chief legal advisor to the City and provides legal services to the City Council, City Manager, City departments, boards, commissions, and other City officials and entities as authorized by law.

This policy is intended to:

- Establish clear roles between the City Council and City Attorney.
- Provide for regular performance evaluation.
- Establish clear communication and reporting expectations.
- Promote accountability, professionalism, and ethical legal services.
- Protect attorney-client privilege and confidential legal communications.
- Ensure that legal advice remains independent, objective, and consistent with applicable law.

Nothing in this policy shall interfere with the City Attorney's professional duties, attorney-client obligations, applicable rules of professional conduct, or attorney-client privilege.

POLICY & PROCEDURES

1. City Attorney Appointment and Council Oversight

The City Attorney shall be appointed by and serve at the pleasure of the City Council, consistent with the Palmdale Municipal Code, City Charter, applicable law, and any employment agreement.

The City Council shall provide overall policy direction and oversight concerning the City Attorney's performance.

The City Attorney shall remain responsible for providing independent and professional legal advice to the City and its authorized officers and entities.

2. Role of the City Attorney

The City Attorney shall provide legal advice and representation concerning City business and shall perform the duties established by the Palmdale Municipal Code, City Charter, Council action, applicable law, and the City Attorney's employment agreement.

The City Attorney's responsibilities may include:

- Advising the City Council.

- Advising the City Manager and City departments.
- Preparing and reviewing ordinances, resolutions, contracts, and other legal documents.
- Representing the City in litigation and administrative proceedings.
- Providing legal advice concerning proposed City actions.
- Advising concerning compliance with applicable federal, state, and local law.
- Advising concerning conflicts of interest, ethics, open-meeting requirements, public records, and other governmental legal matters.
- Providing other legal services authorized by the City Council.

3. Council-City Attorney Relationship

The City Council and City Attorney shall maintain a professional relationship based upon mutual respect, confidentiality, independence, and clear communication.

The City Attorney shall advise the City Council concerning the legal consequences and risks associated with proposed City actions.

Legal advice shall be objective and based upon applicable law rather than political considerations.

Nothing in this policy requires the City Attorney to provide legal advice that the City Attorney believes would violate applicable law or professional obligations.

4. Communication with Councilmembers

Councilmembers may communicate directly with the City Attorney concerning City legal matters.

When a matter involves significant legal, financial, litigation, or policy implications, the City Attorney may recommend that the matter be considered by the full City Council.

Individual Councilmembers shall not use the City Attorney to circumvent Council procedures or obtain legal services for matters unrelated to official City business.

The City Attorney shall establish reasonable procedures for responding to individual Councilmember legal inquiries.

5. Legal Advice and Attorney-Client Privilege

Legal advice provided by the City Attorney may be protected by the attorney-client privilege or attorney work-product doctrine.

The City Attorney shall take reasonable steps to protect confidential legal communications.

Councilmembers, City officers, and employees shall maintain the confidentiality of privileged and confidential communications as required by law.

Nothing in this policy requires the disclosure of privileged legal advice to the public or to individual Councilmembers when disclosure is legally prohibited or inconsistent with the attorney-client relationship.

6. Closed Session

The City Attorney shall advise the City Council regarding matters that may appropriately be considered in closed session.

The City Attorney shall ensure that closed-session matters are conducted in accordance with applicable law.

The City Attorney shall advise the Council regarding the legal requirements for closed-session discussions, including litigation, personnel, real property, labor negotiations, and other matters when authorized by law.

7. Annual Performance Evaluation

The City Council shall conduct a formal performance evaluation of the City Attorney at least annually, unless otherwise provided by the City Attorney's employment agreement.

The evaluation shall consider:

- Quality and effectiveness of legal services.
- Responsiveness to the City Council.
- Responsiveness to the City Manager and City departments.
- Legal research and analysis.
- Litigation management.
- Contract and ordinance review.
- Compliance and risk management.
- Communication.
- Professionalism and ethics.
- Management of the City Attorney's Office.
- Overall performance.

The evaluation shall be conducted by the City Council as a whole.

8. Evaluation Process

The evaluation process should generally include:

1. Review of established goals and expectations.

2. Review of the City Attorney's accomplishments and performance.
3. Input from individual Councilmembers.
4. Collective Council discussion.
5. A formal evaluation discussion with the City Attorney.
6. Identification of goals for the following year.

The Council may use an independent facilitator or consultant to assist with the evaluation.

The evaluation shall not be used to interfere with the City Attorney's independent professional judgment.

9. Performance Concerns

If the City Council identifies performance concerns, the Council should communicate those concerns directly to the City Attorney.

When appropriate, the Council may establish a performance improvement plan identifying:

- The performance concern.
- The applicable expectation.
- Corrective action.
- Performance objectives.
- A reasonable timeframe for improvement.

The City Attorney shall be given an opportunity to respond.

Nothing in this section limits the Council's authority to take action when authorized by law, the employment agreement, or other applicable authority.

10. Budget and Administration

The City Attorney shall prepare or oversee preparation of the City Attorney's Office budget and provide information necessary for the City Council to evaluate legal-service needs.

The City Attorney shall administer the approved budget in accordance with City policies and applicable law.

The City Council shall approve the budget for the City Attorney's Office through the City's normal budget process.

11. Outside Counsel

The City Attorney shall manage the City's use of outside legal counsel, subject to the City's procurement requirements, budget, Council direction, and applicable law.

The City Attorney may recommend the retention of specialized outside counsel when the matter requires expertise, creates a conflict, involves specialized litigation, or otherwise warrants outside representation.

The City Attorney shall keep the City Council appropriately informed regarding significant outside-counsel engagements, subject to attorney-client privilege and other confidentiality requirements.

12. Litigation and Claims

The City Attorney shall oversee litigation involving the City and shall advise the City Council concerning significant litigation risks, potential exposure, and recommended legal strategies.

The City Attorney shall coordinate with the City Manager, Risk Management, insurers, and outside counsel as appropriate.

Information concerning pending litigation shall be provided consistent with attorney-client privilege, attorney work product, applicable law, and the need to protect the City's legal position.

13. Settlements

The City Attorney shall advise the City Council and City Manager concerning settlement of claims, disputes, and litigation.

Settlement authority shall be exercised in accordance with the Palmdale Municipal Code, City Council resolutions, applicable policies, and applicable law.

The City Attorney shall advise the appropriate decision-maker regarding the legal risks, potential costs, and recommended resolution of significant claims and litigation.

14. Contracts and Legal Documents

The City Attorney shall provide legal review of City contracts, agreements, ordinances, resolutions, and other legal documents when required by law, City policy, or Council direction.

Legal review shall focus on:

- Legal compliance.
- Risk allocation.
- Indemnification.

- Insurance.
- Liability.
- Contract terms and enforceability.
- Applicable statutory requirements.

Legal approval shall not replace the administrative, financial, procurement, or policy approval required from the appropriate City official or body.

15. Ethics and Conflicts of Interest

The City Attorney shall advise City officials and employees concerning applicable ethics and conflict-of-interest requirements.

The City Attorney shall identify potential legal conflicts and advise the affected officials regarding appropriate procedures.

When the City Attorney's Office has a conflict that prevents it from providing independent advice, the City Attorney shall recommend appropriate alternative counsel or other lawful procedures.

16. Independence of Legal Advice

The City Attorney's legal advice shall be based upon applicable law and the City Attorney's professional judgment.

The City Council may disagree with legal advice and may direct the City Attorney to take a different lawful position when appropriate.

Nothing in this policy authorizes the City Council or an individual Councilmember to require the City Attorney to provide advice that would violate the law or applicable professional obligations.

17. Public Transparency

The City shall provide public information concerning the City Attorney's Office to the extent required by law.

Nothing in this policy requires disclosure of:

- Attorney-client privileged communications.
- Attorney work product.
- Confidential litigation strategy.
- Confidential settlement information.
- Confidential personnel matters.
- Other information protected from disclosure by law.

18. Council Direction

The City Council shall provide direction to the City Attorney through formal Council action when Council action is required.

Individual Councilmembers may communicate with the City Attorney concerning official City business but shall not represent that an individual Councilmember's legal request constitutes direction from the City Council as a whole.

The City Attorney shall distinguish between a Councilmember's individual inquiry and formal Council direction.

19. Removal of City Attorney

The City Attorney serves at the pleasure of the City Council, subject to the Palmdale Municipal Code, City Charter, applicable law, and any employment agreement.

Any removal or other employment action shall comply with applicable notice, voting, contractual, and legal requirements.

20. Policy Review

The City Council shall periodically review this policy to ensure consistency with:

- The Palmdale Municipal Code.
- The City Charter.
- Applicable state and federal law.
- Rules of professional conduct.
- The City Attorney's employment agreement.
- City policies and procedures.

If this policy conflicts with applicable law, professional obligations, the City Charter, Municipal Code, or a controlling employment agreement, the controlling authority shall govern.

City Council Staff Report

DATE: **NOVEMBER 9, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **DEPARTMENT OF HUMAN RESOURCES**

DISTRICT: **ALL**

SUBJECT: **AUTOMATED EXTERNAL DEFIBRILLATOR (AED) UPDATE**

RECOMMENDATION

Staff recommend that the City Council:

1. Proceed to the next steps outlined in the timeline to support the City's goal of expanding accessible, community-focused AED coverage.

BACKGROUND

On August 4, 2026, there was discussion regarding the installation of life-saving automated external defibrillators (AED's) at City facilities. Council discussed the importance of having AED's available at City properties and proposed that the City move forward with purchasing and implementing AEDs at City facilities, along with providing training to City staff and Councilmembers on their proper use.

Staff conducted a site-specific evaluation to identify public-facing facilities where AED placement would enhance accessibility and support community safety. This review included all major parks, recreation buildings, and public-facing operational facilities located within the City.

This site-specific evaluation identified:

- Locations that need AEDs for public use.
- Locations that currently have AEDs but require relocation to accessible areas.
- Locations where AEDs are not needed, based on facility use and risk assessment.

DISCUSSION

Based on the City's evaluation of 33 city parks and public facilities, the following needs have been identified.

AEDs Needed:

- 1 location has been identified to need up to four (4) AEDs:
  - Marie Kerr Park/BOTW & Amp*
- 3 locations have been identified to need up to two (2) AEDs:
  - Domenic Massari Park*
  - Pelona Vista Park*
  - Sam Yellen Park & Dog Park*
- 12 locations have been identified to require one (1) AED:
  - Anaverde Park
  - Arnie Quinones Park
  - Desert Sands Park*
  - Foothill Park
  - Joshua Hills Park
  - Manzanita Heights Park
  - Marie Kerr Recreation Center*
  - Palmdale Oasis Park*
  - Palmdale Oasis Recreation Center*
  - SAVES*
  - William J. McAdam Park
  - Development Services* (AEDs for employee use are already in place, but we do require one for public use).

No AEDs Needed:

- 5 locations currently have AEDs, where County requirements already mandate their presence:
  - DryTown Water Park
  - Marie Kerr Pool
  - Melville J. Courson Pool
  - Palmdale Oasis Pool
  - William J. McAdams Pool
- 9 locations have been identified to as not requiring an AED, as these facilities do not provide permanent sports infrastructure or regularly host organized recreational or youth sports activities.
  - Amargosa Creek Trail
  - Tejon Park/Barrel Springs Trail
  - Dr. Robert C. St. Clair Parkway
  - Joe Davies Heritage Airpark
  - Joshua Ranch Trail
  - Legacy Park
  - Melville J. Courson Park
  - Poncitlán Square
  - Rancho Vista Park

Relocation AEDs Needed:

- 3 locations have been identified to have one (1) AED already installed, but will need to be moved to a public area:
    - Legacy Commons
    - Palmdale City Library
    - Palmdale Playhouse

Phase Approach

To support implementation planning, AED needs were categorized into two phases:

Phase 1 – High-priority locations, locations with an asterisk*, with significant public activity, sports programming, or larger park acreage. **Total of 16 new AEDs.**

Phase 2 – Lower priority locations where AEDs are not immediately necessary. These include low-traffic trails, small neighborhood parks, and areas identified as low risk based on current use. **Total of 9 AEDs (6 new and relocation of 3).**

Timeline

- November-December 2026:
    - Finalize site tiering for Phase 1 and Phase 2 locations.
- January 2027-February 2027:
    - Select device vendor and AED model for Phase 1 and 2 deployments.
- March 2027-April 2027
    - Install Phase 1 AED units and corresponding signage.
- May 2027–June 2027:
    - Install Phase 2 AED units and corresponding signage.

FISCAL IMPACT

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

STRATEGIC PLAN

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

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

Prepared by:	Tina Lopez, Interim Human Resources Director
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to Form:	Taylor Anderson, Deputy City Attorney