



**CITY COUNCIL/SUCCESSOR AGENCY/  
FINANCING/HOUSING/POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
REGULAR MEETING AGENDA**

**Tuesday, October 27, 2020**

Regular Meeting – 5:00 p.m.

Council Chambers – Lancaster City Hall

The City Clerk/Agency/Authority Secretary hereby declares the agenda was posted  
by 5:00 pm on October 23, 2020  
at the entrance to the Lancaster City Hall Council Chambers  
44933 Fern Avenue, Lancaster, CA 93534

***LEGISLATIVE BODY***

**City Council/Successor Agency/Financing/Power/California Choice Energy  
Authority**

Mayor/Chair R. Rex Parris

Vice Mayor/Vice Chair Marvin Crist

Council Member/Agency Director/Authority Darrell Dorris

Council Member/Agency Director/Authority Member Raj Malhi

Council Member/Agency Director/Authority Member Ken Mann

***Housing Authority***

Deputy Mayor/Chair Kitty Kit Yee Szeto

Vice Chair Marvin Crist

Deputy Mayor/Authority Member Cassandra Harvey

Authority Member Raj Malhi

Authority Member Ken Mann

**In response to Governor’s Executive Order N-29-20, this meeting will be  
conducted telephonically and video streamed live on Channel 28 and the City’s  
website: <https://www.cityoflancasterca.org/connect/public-meetings>**

***PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE RECEIVED BY***

***DIALING 1-888-475-4499 USING MEETING ID:981 4659 1563#***

**PASSWORD:853737#.**

**AGENDA ITEMS TO BE REMOVED**

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

**PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS**

In accordance with Governor's Order N-29-20, the public may observe this telephonic/ virtual meeting by listening to the live broadcast on local cable channel 28 or live stream on the City's website (<https://www.cityoflancasterca.org/connect/public-meetings>). The public may participate in the meeting by **DIALING 1-888-475-4499 USING MEETING ID:981 4659 1563 PASSWORD:853737#.** **Individual comments are limited to three (3) minutes unless a different time limit is announced.**

Consent Calendar items under the Legislative Body may be acted upon with one motion, a second and the vote. If you desire to speak on an item or items on the Consent Calendar, you may fill out one speaker card for the Consent Calendar. You will be given three minutes, unless a different time limit is announced, to address your concerns before the Legislative Body takes action on the Consent Calendar.

**CALL TO ORDER**

City Council/Successor Agency/Financing/Power/California Choice Energy Authority

**ROLL CALL**

City Council Members /Agency Directors /Authority Members: Dorris, Malhi, Mann;  
Vice Mayor/ Vice Chair Crist, Mayor/Chair Parris

**ROLL CALL**

Housing Authority Members: Cassandra Harvey, Raj Malhi, Mann; Chair Kitty Kit Yee Szeto; Vice Chair Marvin Crist

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**PRESENTATIONS**

1. Employee Years of Service-Joe Torres (30 years)  
Presenter: Jason Caudle, City Manager
  
2. Go Red for Red Ribbon Week  
Presenter: Mayor R. Rex Parris
  
3. See and Be Seen Active Transportation Safety and Healthy Living Program  
Presenter: Candice Vander Hyde

**HOUSING AUTHORITY - CONSENT CALENDAR**

**HA CC 1.** Execution and Acknowledgment by the Lancaster Housing Authority of the 2017 and 2020 Assignment and Assumption Agreements Relating to the Woodlands West Apartment Homes (formerly known as High Valley Apartments)

Recommendation/s:

1. Ratify and authorize the execution and acknowledgment by the Lancaster Housing Authority of a corrected 2017 Assignment and Assumption Agreement between Lancaster Housing Authority and Woodlands West Apartment Homes (formerly known as High Valley Apartments), the rental housing project located at 2325 West Avenue J-8 in the City of Lancaster (the "Project").
  
2. Authorize the execution and acknowledgment by the Lancaster Housing Authority of an Assignment and Assumption Agreement with respect to the pending 2020 sale of the Project.

The City was recently advised that there was an issue with the recordation of the Assignment and Assumption Agreement. The Current Owner now wishes to assign the Project to Woodlands West REI, LLC, a Delaware limited liability company (the "Assuming Party"), and has requested that the issues with the recordation of the Assignment and Assumption Agreement be corrected via re-signature of the Assignment and Assumption Agreement. Further, the Current Owner requests that the Agency further authorize the execution and acknowledgment by the Lancaster Housing Authority of an Assignment and Assumption Agreement with respect to the pending 2020 sale of the Project.

**COUNCIL ACTIONS**

**MINUTES**

- M1.** Approve the City Council/Successor Agency/Financing/ Power/ California Choice Energy Authority Regular Meeting Minutes of October 13, 2020.

## **CALIFORNIA CHOICE ENERGY AUTHORITY - CONSENT CALENDAR**

### **CCEA CC 1. Professional Services Agreements for Financial Support Services to Maher Accountancy**

Recommendation/s:

Award a Professional Services Agreement (“Agreement”) with Maher Accountancy (Maher), in the amount of \$30,000 annually per member, currently \$210,000, for financial and accounting support services; and authorize the Executive Director, or his designee, to sign all documents. Further authorize the Executive Director to execute amendments to the Agreement to add additional CalChoice Members as they become operational.

Maher Accountancy provides financial reporting and accounting services to each of CalChoice’s member cities. These services include monthly and quarterly reconciliations and reporting, utility users tax reporting, monthly reconciliation of customer usage and revenues, and net energy metering accounts accruals and reconciliation.

### **CCEA CC 2. Award Professional Services Agreements for Technical Support Services to Pacific Energy Advisors, Inc.**

Recommendation/s:

a. Award a Professional Services Agreement with Pacific Energy Advisors, Inc. (PEA), in the amount not to exceed \$202,000 annually for technical support services in support of the City of Baldwin Park; and authorize the Executive Director, or his designee, to sign all documents

b. Award a Professional Services Agreement with PEA, in the amount not to exceed \$202,000 annually for technical support services in support of the City of Pomona; and authorize the Executive Director, or his designee, to sign all documents

On August 5, 2019 and October 21, 2019 respectively, CalChoice entered into Administrative Services Agreements with the cities of Baldwin Park and Pomona. Under the terms of these agreements, CalChoice provides on-going operational and administrative support services, including the procurement of electricity, technical support, and data management services on behalf of each city’s CCA program. On October 1<sup>st</sup>, the cities of Baldwin Park and Pomona launched their CCA programs and began serving customers in their cities. The cities of Baldwin Park and Pomona join the Town of Apple Valley, and the cities of Lancaster, Pico Rivera, Rancho Mirage, and San Jacinto as operational members of CalChoice. PEA provides technical support services to CalChoice and its Associate Members. These services include rate setting, pro forma and financial modeling, power resources management, load forecasting and regulatory compliance filings.

## **CONSENT CALENDAR**

**CC 1.** Waive further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

**CC 2.** Check Registers - September 27, 2020 through October 10, 2020

Recommendation/s:

Approve the Check Registers as presented.

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

**CC 3.** Monthly Report of Investments – September 2020

Recommendation/s:

Accept and approve the September 2020 Monthly Report of Investments as submitted.

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City's Comprehensive Annual Financial Report.

**CC 4.** Task Order No. 1 under Revive 25 Pavement Management Program Consulting Services Agreement for Pavement Evaluation and Design Services for 2021 Summer Pavement Management Program (Reference PWCP 21-009)

Recommendation/s:

Approve Task Order No. 1 with Pavement Engineering, Inc., of Santa Clarita, California, in accordance with the Professional Consultant Services Agreement for Revive 25 Pavement Management Program Consulting Services in the amount of \$335,870.00 with a 10% contingency; and authorize the City Manager, or his designee, to sign all documents.

The proposed project is a part of the second phase of road bond funded, road rehabilitation projects, and will include the design of twenty-nine (29) lane miles of roadway treatment at the following locations:

1. Avenue J – 10<sup>th</sup> Street West to Challenger Way
2. Division Street – Avenue I to Avenue J
3. Avenue M – Sierra Highway to 4<sup>th</sup> Street East
4. 15<sup>th</sup> Street West – Avenue J-8 to Youngblood Place
5. 25<sup>th</sup> Street West – Avenue K-8 to Avenue L
6. 20<sup>th</sup> Street West – Avenue K to Avenue L

**CC 5.** Task Order for Multi-Year Professional Services Agreement (Service Group Category 3 – (Utilities) Additional Authorization No. 2, Design Services for PWCP 21-006 Avenue K Recycled Waterline Improvements

Recommendation/s:

Approve Task Order No. 3 - Additional Authorization No. 2 with DMR Team of Acton, California, for additional recycled waterline design modification in accordance with the 2018-2020 Multi-Year Professional Services Agreement in the amount of \$13,748.00; and authorize the City Manager, or his designee, to sign all documents.

On January 9, 2019, the City issued a task order for the Avenue K Recycled Waterline Project.

The scope of work included the necessary design and bid documents for the Avenue K recycled waterline extension from 10<sup>th</sup> Street West to 20<sup>th</sup> Street West. The original authorization amount was \$94,805.00. Additional Authorization No. 1 was to provide a traffic control and detour handling plan that was not included in the original design scope for the recycled waterline. This work was authorized on February 27, 2020, in the amount of \$28,896.00. Additional Authorization No. 2 will provide for the design of Avenue K Recycled Waterline project in two (2) phases. Currently, the project has been designed to extend from 10th Street West to 20th Street West. A portion of the right-of-way within the project limits, from 15th Street West to 17th Street West, is owned by Caltrans. Caltrans will not allow vertical crossings to bypass under existing utilities within Caltrans right-of-way. This would require that the proposed pipe profile for the portion that lies within Caltrans right-of-way to be lowered and installed under all the existing utilities. This additional requirement by Caltrans to lower the line from 5 feet to 16 feet is cost prohibitive. Due to the additional construction cost for lowering the proposed recycled waterline under all existing utilities within Caltrans right-of-way and budget constraints, the City has decided to separate the project into two phases. Phase one extending from 10th Street West to Caltrans right-of-way by 15th Street West. Phase two of the project will be evaluated separately upon City's request.

#### **CC 6. City of Lancaster's Model Year 2021 Fleet Lease Agreement**

Recommendation/s:

1. Approve a Model Year 2021 Fleet Lease Agreement (Exhibit A) between the City of Lancaster and Enterprise Fleet Management, Inc., for sixteen (16) replacement vehicles in the amount of \$556,594.00; one (1) down payment plus the first annual payment totaling \$147,842.00, followed by four (4) remaining annual payments of \$102,188.00 a year, over a total of five (5) years. Authorize the City Manager to execute a lease agreement and any amendments between the City of Lancaster and Enterprise Fleet Management, Inc.

2. Appropriate \$107,933.35 in Fiscal Year 2020-2021 into Replacement Motor Vehicles Operating Budget Account No. 104-4753-762 for the Model Year 2021 Enterprise year one (1) lease, and to cover existing lease contract budget deficits.

Staff's analysis concluded that fully funding a maintenance program, as well as supporting a structured and methodical vehicle replacement program, could be best achieved through the continued leasing of needed vehicles instead of purchasing them, which is currently handled in-house. Enterprise Fleet Management orders the vehicles directly from the manufacturers to provide the City of Lancaster with the most cost effective acquisition method. Enterprise then dropships the vehicles to a local dealership in Lancaster in order for the revenue from the lease to stay within the city.

#### **CC 7. Renewal of Pacific Design and Integration, dba GovTV, Video Production System License and Video Services Agreement**

Recommendation/s:

Approve the Video Production System License and Video Services Agreement renewal between the City of Lancaster and Pacific Design and Integration, dba GovTV for the initial three (3) year term.

Pacific Design and Integration, dba GovTV, televises the City of Lancaster's government meetings via the BroadcastManager System, an IP-controlled device that enables GovTV to remotely create a professional quality video feed that will be seamlessly integrated with the City's agenda management vendor live streaming and archive solution. Pacific Design and Integration, dba GovTV, will remotely televise all of the City of Lancaster's public meetings to create a broadcast feed to be distributed via the City of Lancaster's Channel 28 together with a video feed to be streamed and distributed via the City's agenda management vendor. They will control all cameras to provide "live directing" to ensure the current speaker/meeting participant is shown "on-screen" in a timely manner, together with ensuring that all on-screen graphics are integrated during the City Council Meetings broadcasts.

**CC 8.** Amendment to Conflict of Interest Code List of Designated Employment Classifications

Recommendation/s:

Adopt **Resolution No. 20-53**, rescinding Resolution No. 16-48 in its entirety and establishing the List of Designated Employment Classifications and the Disclosure Categories of the Conflict of Interest Code as provided in Section 2.40.030, Title 2, of the Lancaster Municipal Code.

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate or, alternatively, that the code must be amended. In reviewing the Code, it was determined that the List of Designated Employee Classifications should be amended. A designated employee is an officer, employee, member or consultant of an agency whose position is designated in the Conflict of Interest Code because the position entails the making or participation in the making of governmental decision which may foreseeably have a material effect on any financial interest.

**CC 9.** Approval of Multi-Year Professional Services Agreements

Recommendation/s:

Approve Multi-Year Professional Service Agreements with each of the pre-qualified consulting firms on the short-list created for each service category, and authorize the City Manager, or his designee, to execute all task orders.

The listed firms are recommended to be pre-qualified service providers until November 2022. The Multi-Year Professional Services Agreements will permit City staff to issue Task Orders for individual projects. This process will expedite the completion of Council approved projects.

**CC 10.** Consideration of adoption of Ordinance No. 1076, establishing speed limits on 32 roadway segments and amending Section 10.04.020 of Lancaster Municipal Code

Recommendation/s:

Adopt **Ordinance No. 1076**, establishing speed limits on 32 roadway segments (12 roadway segments will have reduced speed limits/20 roadway segments will remain with the same speed limits) in the City of Lancaster, and adopt the Engineering and Traffic Survey (E&TS) study dated June 2020. The spot speed survey and analysis were conducted by the City’s on-call traffic engineering service firm, Interwest Consultant Group, in October and November 2019, under the supervision of a registered traffic engineer in the State of California.

The proposed ordinance is to adopt speed limits on the selected 32 roadway segments in the City of Lancaster, determined by an E&TS study. The study was performed in accordance with the provisions of the California Vehicle Code (CVC) Section 627 and as recommended by the California Department of Transportation Manual on Uniform Traffic Control Devices (MUTCD).Based on the engineering and traffic survey study for the 32 roadway segments, staff recommends speed limits to be decreased for 12 roadway segments, and re-establish the current speed limits for 20 roadway segments.

## **PUBLIC HEARING**

### **PH 1. Lancaster Maintenance District Annexations**

Recommendation:

1. Adopt **Resolution No. 20-55**, initiating proceedings for the annexation of territories into the Lancaster Maintenance Districts.
2. Adopt **Resolution No. 20-56**, approving the engineer’s report, announcing the time and place for a public hearing, and declaring its intention to annex territories into the Lancaster Maintenance Districts, and to levy and collect assessments therein.
3. Adopt **Resolution No. 20-57**, announcing the results of an assessment ballot procedure, ordering the annexation of territory into the Lancaster Maintenance Districts, and ordering the levy and collection of assessments therein.

The Lancaster Maintenance Districts, separately known as the Lancaster Lighting Maintenance District, the Landscape Maintenance District and the Drainage Maintenance District (the “Districts”), were formed to provide a dedicated funding source for the maintenance, operations, servicing and installation of public lighting, public landscaping and public drainage facilities within the City of Lancaster. The District properties, which include the Annexations, benefit from the services provided and are assessed their proportionate share of the costs for each District. Each property owner within the proposed annexations identified on Exhibits A-D, signed a waiver and petition, requesting annexation into the Districts. The petition also included an assessment ballot and notice of public hearing. The Assessment Ballots and Notices of Public Hearing have been mailed to each owner, as required by Law. For Fiscal Year 2020-2021, the Lighting assessment is \$108.04 per lighting unit; the Landscaping assessment is \$118.42 per unit; and the Drainage Assessment is \$74.02 per unit. This includes the annual CPI factor for Los Angeles-Riverside-Orange Counties of 3.36%.Staff recommends that the City Council conduct a public hearing, tabulate the returned ballots, and announce results.

## **NEW BUSINESS**

**NB1.** Resolution Confirming the Continued Existence of a Local Emergency

Recommendation/s:

Adopt **Resolution No. 20-54**, a resolution of the City Council of the City of Lancaster, California, confirming the continued existence of a local emergency in the City of Lancaster, California.

The State and Los Angeles County Health Officers issued orders intended to help prevent the spread of COVID-19, including mandating people to stay home except as needed to perform essential services, ordering businesses deemed non-essential to close, and requiring the wearing of face masks. On May 26, July 14, and September 8, 2020, the City Council adopted Resolutions 20-17, 20-37, and 20-46, respectively, which confirmed the continued existence of a local emergency.

The number of COVID-19 cases in Los Angeles County has fluctuated in recent months. The national and local public health emergency resulting from the COVID-19 pandemic remains in effect, and the virus continues to pose a threat to the health and safety of residents in the City of Lancaster. Staff recommends that City Council adopt **Resolution No. 20-54**, to again confirm the continued existence of the local emergency, as required by the California Emergency Services Act (the “Act,” set forth at Cal. Gov’t. Code §§8550-8668), and, in accordance with the Act, to regularly review the need for continuing the local emergency.

**NB2.** Public Works Construction Project No. 20-012 Prime Desert Woodland Trails Project Phase III (HT-19-024)

Recommendation/s:

Accept the work constructed by Bowe Contractors, Inc., for Public Works Construction Project No. 20-012, Prime Desert Woodland Trails Project Phase III (HT-19-024), and direct the City Clerk to file the Notice of Completion for the project. Retention on this project shall be disbursed in accordance with California Public Contract Code.

On March 10, 2020, the City Council awarded Public Works Construction Project No. 20-012, Prime Desert Woodland Trails Project Phase III (HT-19-024). The City purchased a 20.3-acre parcel adjacent to the Prime Desert Woodland Preserve in 2017. In October 2018, staff applied for grant funds from the State of California's Habitat Conservation Fund Program to add trails on the newly acquired acreage. On September 10, 2019, Council accepted the grant award, appropriated grant funds and appropriated the required match. This is the third phase of the construction of decomposed granite trails for the Prime Desert Woodland Preserve. This project was designed to construct additional trails on the recently acquired northwest side of the preserve, extend existing trails, and construct trail bridges at the request of the Lancaster Parks, Recreation and Arts Department.

## **COUNCIL REPORTS**

**CR1.** Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority

**CR2. Council Reports**

**CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

**CITY CLERK/AGENCY/AUTHORITY SECRETARY ANNOUNCEMENT**

**PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS**

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**CITY COUNCIL / AGENCY/ AUTHORITY COMMENTS**

**CLOSED SESSION**

1. Conference with Legal Counsel - Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) (2) - two potential cases.
2. Conference with Legal Counsel - Anticipated Litigation: consideration of initiation of litigation pursuant to Government Code Section 54956.9(d) (4) - two potential cases.
3. Conference with Legal Counsel - Existing Litigation - Government Code Section 54956.9(d) (1)
4. Desert-Candle, LP v. Frontier Homes, LLC, LASC Case No. 20STCV05178
5. Kappler v. Lancaster, LASC 18STCVO4990
6. Better Neighborhoods v. Lancaster, LASC BS175020
7. Antelope Valley Groundwater Cases Included Action:  
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Los Angeles, Case No. BC325201; Los Angeles County Waterworks

District No. 40 v. Diamond Farming Co. Superior Court of California, County of Kern, Case No. S-1500-CV-254-348  
Wm. Bolthouse Farms, Inc. v. City of Lancaster, Diamond Farming Co. v. City of Lancaster, Diamond Farming Co. v. Palmdale Water District  
Superior Court of California County of Riverside, consolidated actions; Case Nos. RIC 353 840, RIC 344 436, RIC 344 668

8. Ramos v Patino, LASC Case No. MC027974
9. Lozoya v. City of Lancaster, LASC Case No. 19AVCV00714
10. Johnson v. City of Lancaster, LASC Case No. 19AVCV00824
11. Rahier v. City of Lancaster, LASC Case No. 19AVCV00163
12. Brisa Mahoney, et al. v. City of Lancaster, et al., LASC Case No. 20STCV02556
13. Conference with Real Property Negotiators:  
Property: APNs 3124-012-007&012  
City negotiators: Mike Livingston, Allison Burns  
Negotiating parties: Elassaad Walid  
Under negotiation: price and terms of payment  
Property: APNs 3124-012-008&009  
City negotiators: Mike Livingston, Allison Burns  
Negotiating parties: Ann Hiramoto  
Under negotiation: price and terms of payment
14. Manzo v. Beazer Homes Holdings, LLC et al., LASC Case No. 20AVCV00297
15. Hernandez v. County of Los Angeles, et al., LASC Case No. 20AVCV00318
16. Romines v. City of Lancaster, et al., LASC Case No. 20AVCV00345
17. Mahoney v. City of Lancaster et al, LASC Case No. 20AVCV00199
18. Moujan v. City of Lancaster et al., LASC Case No. 20AVCV00205

19. Davis v. State of California, LASC Case No. 19AVCV00805

**ADJOURNMENT**

Next Regular Meeting:

November 10, 2020 at 5:00 PM

**MEETING ASSISTANCE INFORMATION**

In compliance with the Americans with Disabilities Act and Executive Order N-29-20, the City has implemented a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility. If you need special assistance to participate in this telephonic meeting, please contact the City Clerk at (661)723-6020 or via email at [aalexander@cityoflancasterca.org](mailto:aalexander@cityoflancasterca.org). To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the City Clerk at (661)723-6020.

**AGENDA ADDENDUM INFORMATION**

On occasion items may be added after the agenda has been mailed to subscribers. Copies of the agenda addendum item will be available at the City Clerk Department and are posted with the agenda on the windows of the City Council Chambers. For more information, please call the City Clerk Department at (661) 723-6020.

All documents available for public review are on file with the City Clerk Department.

**STAFF REPORT**  
**Lancaster Housing Authority**

HA CC 1
10/27/20
JC

Date: October 27, 2020

To: Chair Szeto and Authority Members

From: Chris Aune, Housing Manager  
Allison E. Burns, City Attorney

Subject: **Execution and Acknowledgment by the Lancaster Housing Authority of the 2017 and 2020 Assignment and Assumption Agreements Relating to the Woodlands West Apartment Homes (formerly known as High Valley Apartments)**

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**Recommendations:**

1. Ratify and authorize the execution and acknowledgment by the Lancaster Housing Authority of a corrected 2017 Assignment and Assumption Agreement between Lancaster Housing Authority and Woodlands West Apartment Homes (formerly known as High Valley Apartments), the rental housing project located at 2325 West Avenue J-8 in the City of Lancaster (the "Project").
2. Authorize the execution and acknowledgment by the Lancaster Housing Authority of an Assignment and Assumption Agreement with respect to the pending 2020 sale of the Project.

**Fiscal Impact:**

None.

**Background:**

The Lancaster Housing Authority, in its capacity as housing successor to the Lancaster Redevelopment Agency (the "Agency") previously issued its \$5,900,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), Series 1996 Series A and its \$15,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series B (the "Bonds"). In connection with the Bonds, the Agency entered into the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants by and among the Agency, High Valley Apartments, a California limited partnership ("High Valley Owner"), and First Trust of California, National Association (the "Trustee"), regarding the Project, dated as of January 1, 1996 and recorded on January 26, 1996 in the official records of the County of Los Angeles as Instrument No. 96-148749.

Pursuant to a certain Assignment and Assumption Agreement dated June 28, 2005, the High Valley Owner assigned the Project to Basrock High Valley California, LLC (“Previous Owner”). Previous Owner then assigned the Project to MG Woodlands West Apartments L.P., a Delaware limited partnership (“MG Woodlands”) pursuant to that certain Assignment and Assumption Agreement dated as of September 28, 2012 and recorded on October 1, 2012.

MG Woodlands further assigned the Project to BRE MG Woodlands West LLC, a Delaware limited liability company (the “Current Owner”) pursuant to that certain Assignment and Assumption Agreement dated as of November 21, 2017 and recorded on November 27, 2017 (as amended and assigned, the “Assignment and Assumption Agreement”) and the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants, dated January 1, 1996, which was assigned concurrently with the Regulatory Agreement by High Valley Owner to Previous Owner, as further assigned by Previous Owner to MG Woodlands, and as further assigned by MG Woodlands to the Current Owner (as assigned, the “Administration Agreement”).

The City was recently advised that there was an issue with the recordation of the Assignment and Assumption Agreement. The Current Owner now wishes to assign the Project to Woodlands West REI, LLC, a Delaware limited liability company (the “Assuming Party”), and has requested that the issues with the recordation of the Assignment and Assumption Agreement be corrected via re-signature of the Assignment and Assumption Agreement. Further, the Current Owner requests that the Agency further authorize the execution and acknowledgment by the Lancaster Housing Authority of an Assignment and Assumption Agreement with respect to the pending 2020 sale of the Project.

**Attachments:**

2017 Assignment and Assumption Agreement – Woodland West Apartments

2020 Assignment and Assumption Agreement – Woodland West Apartments

**RECORDING REQUESTED BY AND WHEN  
RECORDED MAIL TO:**

Revantage Corporate Services  
233 S. Wacker Drive, Suite 4700  
Chicago, IL 60606  
Attn: Ms. Susan Saltzman

(Space Above Line for Recorder's Use Only)

*[\*THIS CORRECTIVE ASSIGNMENT AND ASSUMPTION AGREEMENT IS BEING  
RECORDED TO CORRECT THE ASSIGNMENT AND ASSUMPTION AGREEMENT  
RECORDED AS INSTRUMENT NO. 2017-1356328 BY INCLUDING THE MISSING  
SIGNATURE OF THE ASSUMING PARTY AND INCLUDING ATTACHMENT NO. 1 AND  
ATTACHMENT NO. 2\*]*

**CORRECTIVE ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the “**Assignment Agreement**”) is entered into as of November 21, 2017, by and MG WOODLANDS WEST APARTMENTS L.P., a Delaware limited partnership (the “**Assigning Party**”), BRE MG WOODLANDS WEST LLC, a Delaware limited liability company (the “**Assuming Party**”), and the LANCASTER HOUSING AUTHORITY, in its capacity as housing successor to the LANCASTER REDEVELOPMENT AGENCY, a public body corporation and politic (the “**Agency**”), but is deemed to be effective by the parties hereto as of the date of recordation of the Grant Deed transferring title to the Property (as defined below) from the Assigning Party to the Assuming Party (the “**Transfer Date**”).

WHEREAS, the Agency has previously issued its \$5,900,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), Series 1996 Series A and its \$15,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan —High Valley Apartments Project), 1996 Series B (the “**Bonds**”) and in connection therewith entered into the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants by and among the Agency, High Valley Apartments, a California limited partnership (“**High Valley Owner**”), and First Trust of California, National Association (the “**Trustee**”), dated as of January 1, 1996 and recorded on January 26, 1996 in the official records of the County of Los Angeles as Instrument No. 96-148749, as assigned by High Valley Owner to Basrock High Valley California, LLC (“**Previous Owner**”) pursuant to that certain Assignment and Assumption Agreement dated June 28, 2005, as further assigned by Previous Owner to Assigning Party pursuant to that certain Assignment and Assumption Agreement dated as of September 28, 2012 and recorded on October 1, 2012 (as amended and assigned, the “**Regulatory Agreement**”) and an Administration Agreement among the Agency, Previous Owner and Urban Futures, Inc. (the “**Administration Agreement**”).

WHEREAS, the Assigning Party has notified the Agency that it intends to assign its interest in the High Valley Apartments Project (the “**Project**”), the Regulatory Agreement and the Administration Agreement to the Assuming Party effective as of the Transfer Date, subject to the approval of the Agency in accordance with the terms of the Regulatory Agreement.

WHEREAS, in connection with the prior assignment from High Valley Owner to Previous Owner the Bonds were paid in full.

WHEREAS, the Assigning Party and Assuming Party have requested certain clarifications and changes to the Regulatory Agreement to which the Agency has agreed.

NOW THEREFORE, the Agency, the Assigning Party and the Assuming Party hereby agree as follows:

SECTION 1. The recitals are true and correct and are incorporated herein by reference.

SECTION 2. The Agency hereby consents to and approves the transfer and conveyance of the Project by Assigning Party to the Assuming Party. The Agency hereby waives the requirement for delivery of (a) an opinion of counsel regarding assumption (as set forth in Section 11(ii) of the Regulatory Agreement) and (b) an opinion of “**Bond Counsel**” (as set forth in Section 11(iii) of the Regulatory Agreement) because the Bonds have been paid in full.

SECTION 3. The Agency hereby approves the assignment of the Assigning Party’s rights, duties and obligations under the Regulatory Agreement and the Administration Agreement to the Assuming Party, subject to the terms of the Regulatory Agreement, the Administration Agreement and this Assignment Agreement.

SECTION 4. The Assigning Party hereby assigns to the Assuming Party all of the Assigning Party’s right, title and interest under the Regulatory Agreement and the Administration Agreement. The Assuming Party hereby (a) assumes all of the duties and obligations of the Assigning Party under the Regulatory Agreement, attached hereto as Attachment No. 1 and incorporated herein by reference and the Administration Agreement attached hereto as Attachment No. 2 and incorporated herein by reference arising from and after the Transfer Date, which assumption shall be effective as of the Transfer Date, and (b) agrees to comply with and perform all of the duties and obligations of the Assigning Party under the Regulatory Agreement and the Administration Agreement arising from and after the Transfer Date.

SECTION 5. The Agency, the Assigning Party and the Assuming Party each hereby agrees and acknowledges that, because the Bonds have been paid in full, the Qualified Project Period under the Regulatory Agreement will terminate on January 26, 2026.

SECTION 6. For purposes of this section, any capitalized term not otherwise defined in this Assignment Agreement shall have the meaning ascribed to such term in the Regulatory Agreement.

A. Notwithstanding anything to the contrary contained in the Regulatory Agreement, the Regulatory Agreement and all of the terms thereof shall terminate and be of no further force and effect on the date the Project is acquired by foreclosure of any first or second lien security instrument (or instrument in lieu of foreclosure); provided, however, that the previous sentence shall cease to apply and the restrictions contained in the Regulatory Agreement shall be reinstated if, at any time subsequent to the termination of such provision as the result of the foreclosure of the lien of a first or second lien security instrument or the delivery of an instrument in lieu of foreclosure, the Owner or any Affiliated Party obtains an interest in the Project which constitutes an ownership interest therein for federal income tax purposes.

B. Notwithstanding anything to the contrary contained in the Regulatory Agreement, any first or second lien security instrument, and any modifications, renewals or extensions thereof, and any advances (including interest thereon) thereunder or secured thereby shall be and remain at all times liens or charges on the Project, prior and superior to (a) the Regulatory Agreement, and (b) all rights and privileges of the Issuer or Agency thereunder, which are hereby subjected, and made subordinate to the rights of lender and any lien or charge under any first or second lien security instrument. Issuer and Agency hereby subject and subordinate the liens, claims, charges and rights of the Regulatory Agreement to the liens, claims, charges and rights of any first or second lien security instrument.

#### SECTION 7.

A. The Assigning Party hereby represents, warrants and covenants that, to its knowledge (a) it is not in any default of any of the covenants, representations or warranties contained in the Regulatory Agreement or the Administration Agreement, (b) all amounts owing under the Regulatory Agreement or the Administration Agreement are current, and (c) it has not received any notice of default relating to amounts owing under the Regulatory Agreement or the Administration Agreement.

B. The Assuming Party hereby represents, warrants and covenants that it has assumed in full all of the duties, agreements and obligations of the Assigning Party under the Regulatory Agreement and the Administration Agreement arising from and after the Transfer Date, which assumption shall be effective upon the Transfer Date.

C. The Agency hereby represents that it has no knowledge of any violation or default by the Assigning Party or any of its covenants under the Regulatory Agreement or the Administration Agreement.

SECTION 8. Any notices or communications to or among any of the parties to this Assignment Agreement may be given as follows:

To the Agency:	Lancaster Housing Authority 44933 N. Fern Avenue Lancaster, California 93534 Attention: Director Telephone: (661) 723-6006
----------------	--

To the Assigning Party: MG Woodlands West Apartments L.P.  
c/o MG Properties Group  
10505 Sorrento Valley Road #300  
San Diego, CA 92121  
Attention: Mark Gleiberman  
Telephone: (858) 366-6500

With a copy to: Procopio, Cory, Hargreaves & Savitch LLP  
525 B Street, Suite 2200  
San Diego, CA 92121  
Attention: Robert Brown  
Telephone: (619) 744-5468  
Facsimile: (619) 515-3268

To Assuming Party: BRE MG Woodlands West LLC  
c/o Blackstone Real Estate Advisors L.P.  
345 Park Avenue  
New York, NY 10154  
Attention: General Counsel  
Email: realestatenotices@blackstone.com

With a copy to: Simpson Thacher & Bartlett LLP  
425 Lexington Avenue  
New York, NY 10017  
Attention: Erik Quarfordt  
Telephone: (212) 455-2459  
Facsimile: (212) 455-5202  
Email: equarfordt@stblaw.com

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date first set forth above.

**AGENCY:**

LANCASTER HOUSING AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Signatures continued on the following page.]*

**ASSIGNING PARTY:**

MG WOODLANDS WEST APARTMENTS L.P.,  
a Delaware limited partnership

By: Gleiberman Investments, Inc.,  
a California corporation, its General Partner

By:   
Name: Mark Gleiberman  
Title: President

*[Signatures continued on the following page.]*

**ASSUMING PARTY:**

BRE MG Woodlands West LLC

By: Melissa Panko  
Name: Melissa Panko  
Title: managing Director

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 \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

ACKNOWLEDGMENT

State of California  
County of San Diego

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.

On July 14, 2020, ~~2017~~, before me, Janel Karon Spaulding Martinez, a Notary Public, personally appeared Mark Gleiberman 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.  
Janel K Martinez



ACKNOWLEDGMENT

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

State of Illinois

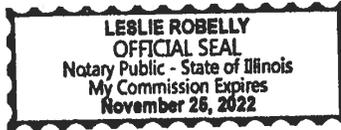
County of COOK

On July 10, 2020 before me, Leslie Robelly, a Notary Public, personally appeared Melissa Panko 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 Illinois that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Handwritten Signature]



ATTACHMENT NO. 1  
REGULATORY AGREEMENT  
[ATTACHED]

96 148749

TV 8332253

**COPY** of Document Recorded  
 .....JAN 26 1996.....  
 Has not been compared with original.  
 Original will be returned when  
 processing has been completed.  
 LOS ANGELES COUNTY REGISTRAR - RECORDER

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RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

KAREN A. ELLIS, ESQ.  
STRADLING, YOCCA, CARLSON & RAUTH  
660 Newport Center Drive, Suite 1600  
Newport Beach, California 92660

**AMENDED AND RESTATED  
REGULATORY AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS**

By and Among

**LANCASTER REDEVELOPMENT AGENCY**

and

**FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION**

as Trustee

and

**HIGH VALLEY APARTMENTS,  
A CALIFORNIA LIMITED PARTNERSHIP**

**DATED AS OF JANUARY 1, 1996**

Relating to

**\$5,900,000**

**LANCASTER REDEVELOPMENT AGENCY  
MULTIFAMILY HOUSING REVENUE REFUNDING BONDS  
(FHA INSURED MORTGAGE LOAN — HIGH VALLEY APARTMENTS PROJECT)  
1996 SERIES A**

and

**\$15,000**

**LANCASTER REDEVELOPMENT AGENCY  
TAXABLE MULTIFAMILY HOUSING REVENUE REFUNDING BONDS  
(FHA INSURED MORTGAGE LOAN — HIGH VALLEY APARTMENTS PROJECT)  
1996 SERIES B**

**05 1557299**

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- Exhibit C INCOME COMPUTATION AND CERTIFICATION

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AMENDED AND RESTATED  
REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS

THIS AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (the "Regulatory Agreement") is made and entered into as of January 1, 1996, by and among LANCASTER REDEVELOPMENT AGENCY, a public body corporate and politic, duly organized and existing under the constitution and laws of the State of California (together with any successor to its rights, duties and obligations, the "Issuer"), FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as Trustee (the "Trustee"), and HIGH VALLEY APARTMENTS, a California limited partnership, as the owner of the property described in Exhibit A hereto (the "Owner").

WITNESSETH:

WHEREAS, the Issuer is authorized by Chapter 8 of Part 1 of Division 24 (commencing with Section 33750) of the Health and Safety Code of the State of California, as amended (the "Act") to issue revenue bonds for the purpose of financing the development of multifamily rental housing; and

WHEREAS, the Issuer has obtained the certification required by Section 8855.7(b) of the Government Code of the State of California; and

WHEREAS, the Issuer is a political subdivision (within the meaning of that term in the Regulations of the Department of the Treasury and the rulings of the Internal Revenue Service); and

WHEREAS, on July 1, 1985 the City Council of the City of Lancaster adopted a resolution (the "Resolution") indicating its intent to provide for the issuance of revenue bonds to finance the 140-unit multifamily rental housing project of the Owner known as High Valley Apartments located at 2325 West Avenue J-8 in the City of Lancaster (the "Project"); and

WHEREAS, in furtherance of the purposes of the Act and the Resolution and as a part of the Issuer's plan of financing residential rental housing, the Issuer issued \$6,265,000 aggregate principal amount of its revenue bonds designated "Lancaster Redevelopment Agency Multifamily Housing Revenue Bonds, 1985 Series L (FHA Insured Mortgage Loan - High Valley Apartments Project)" (the "Prior Bonds"), the proceeds of which were loaned to the Owner (the "Prior Loan") to finance the cost of the Project occupied partially (at least 20 percent of the units) by persons of low and moderate income within the meaning of Section 103(b)(12)(C) of the 1954 Code, all for the public purpose of providing decent, safe and sanitary housing; and

WHEREAS, the Owner has modified the Prior Loan and the Issuer has issued its \$5,875,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series A (the "Series A Bonds") and its \$60,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series B (the "Series B Bonds," and, together with the Series A Bonds, the "Bonds") to refund the Prior Bonds and refinance the Prior Loan, pursuant to

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Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and that certain Indenture of Trust dated as of December 1, 1995, by and between the Issuer and the Trustee (the "Indenture"); and

WHEREAS, the Issuer has determined that in order to ensure the preservation of the low and moderate income units in the Project and to ensure that the Project will continue to be owned and operated in accordance with the 1954 Code, the Code and the Act, it is necessary to enter into this Regulatory Agreement which amends and restates in its entirety that certain Agreement As To Tax Exemption dated as of December 1, 1985, among the Issuer, the Owner and Seattle-First National Bank recorded on December 19, 1985, in the Official Records of the County of Los Angeles as Instrument No. 85-1500406 (the "Prior Regulatory Agreement"); and

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Issuer, the Trustee and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings assigned to them in this Section 1 unless the context in which they are used clearly requires otherwise:

"Administrator" - Urban Futures, Inc., or its successors and assigns.

"Adjusted Income" - The adjusted income of a person (together with the adjusted income of all other persons over the age of 18 years who intend to reside with such person in one residential unit) as calculated in the manner prescribed in Regulation Section 1.103-8.

"Affiliated Party" - A person related to the Owner such that (i) the relationship between such person and the Owner would result in a disallowance of losses under Section 267 or 707(b) of the Code, or (ii) such person and the Owner are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50%" shall be substituted for "at least 80%" each place it appears therein).

"Area" - The Los Angeles-Long Beach Primary Metropolitan Statistical Area.

"Certificate of Continuing Program Compliance" - The Certificate to be filed by the Owner with the Issuer, the Administrator and the Trustee substantially in the form attached hereto as Exhibit B.

"Completion Date" - December 31, 1986, the date of the completion of the construction and equipping of the Project.

"Income Certification" - The Income Computation and Certification attached hereto as Exhibit C.

"Lower-Income Tenants" - Persons or families with an Adjusted Income which does not exceed 80 percent of the Median Income for the Area, as adjusted by household size as shown below. In no event will the occupants of a unit be considered to be Lower-Income Tenants if all

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of such occupants are students (as defined in Section 151(c)(4) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code.

<u>Household Size</u>	<u>Adjustment</u>
1	70%
2	80
3	90
4 or more	100

"Lower Income Units" - The dwelling units in the Project designated for occupancy by Lower-Income Tenants.

"Median Income for the Area" - The median income for the Area as most recently determined by the Secretary of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, or if programs under Section 8 are terminated, median income for the Area determined under the method used by the Secretary prior to such termination.

"Owner's Use of Proceeds Certificate" - The Certificate of the Owner dated as of the Bond Issuance Date with respect to certain Project Costs and other matters delivered to the Issuer by the Owner.

"Prior Bond Issuance Date" - The date of issuance of the Prior Bonds, being December 19, 1985.

"Project" - The Project Facilities and the Project Site.

"Project Facilities" - The buildings, structures and other improvements constructed on the Project Site, and all fixtures and other property owned, leased or licensed by the Owner and located on, or used in connection with, such buildings, structures and other improvements.

"Project Site" - The parcel or parcels of real property described in Exhibit A, attached hereto and by this reference incorporated herein, and all rights and appurtenances appertaining to such property.

"Qualified Project Period" - The period beginning on December 31, 1986, and ending on the latest of (a) March 31, 1997 (the date which is ten years after the first day on which at least 50 percent of the units in the Project were first occupied), (b) June 13, 2007 (the date which is a qualified number of days after the date on which any of the units in the Project were first occupied), (c) the date on which no Bonds remain Outstanding, (d) the date which is thirty (30) years after the Bond Issuance Date, or (e) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 terminates. For purposes of clause (b), the term "qualified number of days" means, with respect to the Bonds, 50 percent of the number of days comprising the term from the date of issuance of the Prior Bonds (December 19, 1985) to the final maturity of the Bonds and any refunding bonds.

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"Regulatory Agreement" - This Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Regulatory Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The defined terms used in the preamble and recitals of this Regulatory Agreement have been included for convenience of reference only, and the meaning, construction and interpretation of all defined terms shall be determined by reference to this Section 1 notwithstanding any contrary definition in the preamble or recitals hereof. The titles and headings of the sections of this Regulatory Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in Section 1.01 of the Indenture.

Section 2. Construction, Equipping and Completion of the Project. The Owner hereby represents as of the date hereof, covenants and agrees as follows:

(a) Within six months after the Prior Bond Issuance Date, the Owner incurred a substantial binding obligation to commence the construction of the Project, pursuant to which the Owner was obligated to expend at least the lesser of (i) 2-1/2% of the principal amount of the Prior Loan, or (ii) \$100,000.

(b) The statements made in the various certificates delivered by the Owner to the Issuer and the Trustee on the Bond Issuance Date are true and correct, including the statement that the Project has been in compliance with the provisions of the Prior Regulatory Agreement at all times since the Prior Bond Issuance Date.

(c) The Owner commenced the construction and equipping of the Project within six months of the Prior Bond Issuance Date.

(d) The Owner completed the construction and equipping of the Project and spent the full amount of the proceeds of the Prior Loan for Project Costs.

(e) Money on deposit in any fund or account in connection with the Prior Bonds or the Series A Bonds, whether or not such money was derived from other sources, was not and shall not be used by or under the direction of the Owner, in a manner which would cause the Prior Bonds or the Series A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or Section 103(c) of the 1954 Code, respectively, and the Owner specifically agrees that the investment of money in any such fund shall be restricted as may be necessary to prevent the Bonds from being "arbitrage bonds" under the Code.

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(f) Neither the Owner nor any Affiliated Party will purchase and hold any Series A Bonds pursuant to any arrangement, formal or informal, in an amount related to the amount of the Mortgage Loan unless an opinion of Bond Counsel is delivered to the Issuer to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds (as to owners of Series A Bonds other than the Owner), and the Owner will not take or omit to take, as is applicable, any other action if such action or omission would in any way cause the proceeds from the sale of the Series A Bonds to be applied in a manner contrary to the requirements of the Indenture, the Loan Agreement or this Regulatory Agreement.

(g) The Owner does not own any buildings or structures which are proximate to the Project, other than those buildings or structures which comprise the Project, which are being financed pursuant to a common plan under which the Project is also being financed.

(h) The Owner (i) intends to hold the Project for its own account, (ii) has no current plans to sell the Project, (iii) has not entered into any agreement or otherwise binding commitment to sell the Project, (iv) recognizes that the refinancing of the Prior Bonds has independent significance apart from any future sale of the Project because of the net reduction in total debt service costs for the Project, and (v) does not intend that the issuance of the Bonds and the refinancing of the Prior Bonds constitute a formally separate step in a single prearranged transaction to reach the end result of the sale of the Project.

Section 3. Residential Rental Property. Except as otherwise permitted pursuant to Section 3(d) below, the Owner hereby acknowledges and agrees that the Project is currently and will continue to be owned, managed and operated as a project for "residential rental property" (within the meaning of Section 103(b)(4)(A) of the 1954 Code) for the Qualified Project Period. To that end, and for the term of this Regulatory Agreement, the Owner hereby represents, covenants, warrants and agrees as follows:

(a) The Project has been acquired, constructed and equipped for the purpose of providing multifamily residential rental property, and the Owner shall own, manage and operate the Project as a project to provide multifamily residential rental property comprised of a building or structure or several interrelated buildings or structures, together with any functionally related and subordinate facilities, and no other facilities, in accordance with Section 103(b)(4)(A) of the 1954 Code and Section 1.103-8(b) of the Regulations, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) All of the dwelling units in the Project are and will remain similarly constructed units, and each dwelling unit in the Project contains and will contain complete separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

(c) No dwelling unit in the Project has been or will at any time be utilized on a transient basis, or has been or will ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park.

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(d) No part of the Project has been or will at any time be owned or used by a cooperative housing corporation, and the Owner has not and shall not take any steps in connection with a conversion to such ownership or use nor shall any condominium ownership interest in any portion of the Project be conveyed to any person, except with the prior written approval of the Issuer, which approval shall not be unreasonably withheld, and delivery to the Issuer of an opinion of Bond Counsel to the effect that (i) the interest on the Series A Bonds will not become taxable thereby and (ii) such use or conversion will not cause the Lower Income Units to become ineligible as inclusionary housing under Section 33413 of the Health and Safety Code of the State of California or any successor section.

(e) All of the dwelling units have been and will continue to be available for rental on a continuous basis to members of the general public (other than units for a resident manager or maintenance personnel or units for individuals or families of low or moderate income as provided for in Section 4(a) herein, including any units rented under the Section 8 assistance program which will be leased to eligible tenants in accordance with Section 8 requirements), and the Owner has not and will not give preference to any particular class or group of persons in renting the dwelling units in the Project, except to the extent dwelling units are required to be leased to Lower-Income Tenants.

(f) The Lower Income Units have been and will continue to be intermingled with all other dwelling units in the Project and are and shall continue to be of comparable quality and offer a range of sizes and number of bedrooms comparable to the other units in the Project. Tenants in the Lower Income Units have had and will continue to have equal access to and enjoyment of all common facilities of the Project.

(g) The Project Site consists of a parcel or parcels that are contiguous except for the interposition of a road, street or stream, and all of the Project Facilities comprise a single geographically and functionally integrated project for residential rental property, as evidenced by the ownership, management, accounting and operation of the Project.

(h) No unit in any building or structure in the Project which contains fewer than five units has been or shall be occupied by the Owner or any Affiliated Party, other than units occupied by a resident manager or maintenance personnel.

(i) The Project was completed on December 31, 1986. The date on which any of the units in the Project was first occupied is September 22, 1986. The date on which 10% of the dwelling units in the Project was first occupied is December 31, 1986, and the date on which 50% of the dwelling units in the Project were first occupied is March 31, 1987.

**Section 4. Lower-Income Tenants.** Except as otherwise permitted by the provisions of Section 3(d) above, pursuant to the requirements of Section 103(b)(4)(A) of the 1954 Code, the Owner hereby represents, warrants and covenants that, throughout the Qualified Project Period:

(a) Not less than twenty percent (20%) of the units in the Project have been and shall be continuously occupied or held available for occupancy by Lower-Income Tenants for a term of not less than 31 days. For this purpose, a unit occupied by a Lower-Income Tenant who at the commencement of occupancy is a Lower-Income Tenant shall be treated as occupied by a Lower-

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Income Tenant, during such tenant's tenancy in such unit, even though the tenant's income subsequently rises to a level at which the tenant would no longer qualify as a Lower-Income Tenant. Moreover, a unit previously occupied by a Lower-Income Tenant and then vacated shall be considered occupied by a Lower-Income Tenant until reoccupied, other than for a temporary period, at which time the character of the unit shall be redetermined. In no event shall such temporary period exceed thirty-one (31) days.

(b) On the first day of each calendar month during the term of this Regulatory Agreement, the Owner shall advise the Issuer, the Trustee and the Administrator of the status of the occupancy of the Project by delivering to such parties the Certificate of Continuing Program Compliance. In addition, the Owner shall submit any other information, documents or certifications requested by the Issuer which the Issuer deems reasonably necessary to substantiate the Owner's continuing compliance with the provisions of this Regulatory Agreement and Section 103(b)(4)(A) of the 1954 Code.

(c) The Owner has obtained and will obtain and maintain on file an Income Certification from each Lower-Income Tenant, dated immediately prior to the initial occupancy of such Lower-Income Tenant in the Project, and will provide such additional information as may be required in the future by the State of California, the Issuer and by Section 103(b)(4)(A) of the 1954 Code and the Regulations, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures or other official statements now or hereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to obligations transitioned under Section 1313(a) of the Tax Reform Act of 1986. A copy of each such Income Certification has been and will be attached to the monthly Certificate of Continuing Program Compliance filed with the Administrator pursuant to subsection (b). The Owner shall verify that the income provided by an applicant in an Income Certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain a federal income tax return for the most recent tax year, (2) obtain an employment verification form from the applicant's current employer, or (3) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

(d) The Owner has maintained and will maintain complete and accurate records pertaining to the Lower Income Units, and will permit any duly authorized representative of the Issuer, the Administrator, the Trustee, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Owner pertaining to the Project, including those records pertaining to the occupancy of the Lower Income Units.

(e) The Owner has and shall accept as tenants on the same basis as all other prospective tenants, persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, or its successor. The Owner shall not apply selection criteria to Section 8 certificate or voucher holders which are more burdensome than criteria applied to all other prospective tenants.

(f) The form of lease to be utilized by the Owner in renting any units in the Project to any person other than a Section 8 tenant who is intended to qualify as a Lower-Income Tenant has and shall provide that the tenant will comply promptly with all requests from the Issuer, the Administrator or the Owner for evidence of income verification and shall provide for termination

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of the lease and consent by such person to immediate eviction for failure to qualify as a Lower-Income Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification or refusal to provide income verification information on request.

**Section 5. Tax Exempt Status of the Series A Bonds.** The Owner and the Issuer each hereby represents, warrants and agrees that:

(a) it will not knowingly take or permit, or omit to take or cause to be taken, as is appropriate, any action that would adversely affect the exclusion from gross income for federal income purposes or the exemption from California personal income taxation of the interest on the Series A Bonds and, if it should take or permit, or omit to take or cause to be taken, any such action, it will take all lawful actions necessary to rescind or correct such actions or omissions promptly upon obtaining knowledge thereof;

(b) it will take such action or actions as may be necessary, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations issued under Section 103(b)(4)(A) of the 1954 Code and transitioned under Section 1313(a) of the Tax Reform Act of 1986; and

(c) it will file and/or record such documents and take such other steps as are necessary, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, in order to insure that the requirements and restrictions of this Regulatory Agreement will be binding upon all owners of the Project during the Qualified Project Period, including, but not limited to, the execution and recordation of this Regulatory Agreement in the real property records of the County of Los Angeles.

The Owner hereby covenants to include the requirements and restrictions contained in this Regulatory Agreement in any documents transferring any interest (other than a leasehold interest) in the Project to another person to the end that such transferee has notice of, and is bound by, such restrictions, and to obtain the agreement from any transferee to abide by all requirements and restrictions of this Regulatory Agreement.

The Owner further covenants and agrees that it will not approve or consent to any amendment to the FHA Documents without first notifying the Issuer, in writing, of such proposed amendment.

**Section 6. Modification of Special Tax Covenants.** The Owner, the Trustee and the Issuer hereby agree as follows:

(a) To the extent any amendments to the Regulations or the 1954 Code or the Code shall, in the written opinion of Bond Counsel filed with the Issuer, the Trustee and the Owner, impose requirements upon the ownership or operation of the Project more restrictive than those imposed by this Regulatory Agreement which must be complied with in order to maintain the exemption from taxation of interest on the Series A Bonds, this Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements.

(b) To the extent any amendments to the Regulations or the 1954 Code or the Code shall, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, impose requirements upon the ownership or operation of the Project less restrictive than imposed by this Regulatory Agreement, this Regulatory Agreement may be amended or modified to provide such less restrictive requirements should the Issuer, in its sole discretion, decide that such requirements should be made applicable to the Project.

(c) The Owner, the Issuer and the Trustee shall execute, deliver and, if applicable, file of record any and all documents and instruments, necessary to effectuate the intent of this Section 6, and each of the Owner and the Issuer hereby appoints the Trustee as its true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Owner or the Issuer, as is applicable, any such document or instrument (in such form as may be approved in writing by Bond Counsel) if either the Owner or the Issuer defaults in the performance of its obligations under this subsection (c); provided, however, that the Trustee shall take no action under this subsection (c) without first notifying the Owner, the Lender or the Issuer, or each of them, as is applicable, unless directed in writing by the Issuer, the Lender or the Owner, and without first providing the Owner or the Issuer, or each of them, as is applicable, an opportunity to comply with the requirements of this Section 6.

Section 7. Indemnification. The Owner hereby covenants and agrees that it shall indemnify and hold harmless and defend the Issuer and the Trustee and their respective officers, members, directors, officials, employees and agents of each of them (the "Indemnified Parties") to the maximum extent permitted by law from and against any and all claims, losses, damages, liabilities or expenses, of every conceivable kind, character and nature (including, without limitation, attorneys fees of counsel reasonably acceptable to the indemnified party, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) by or on behalf of any person directly or indirectly resulting from or arising out of or related to any cause whatsoever in connection with (a) this Regulatory Agreement, the Mortgage Loan, the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project (including compliance with laws, ordinances and rules and regulations of public authorities relating thereto) or the sale of Bonds to refinance the Project, (b) any act or omission of the Owner or any of its agents, contractors, servants, employees or licensees in connection with the Project or the sale of Bonds to refinance the Project, and (c) any written statements or representations with respect to the Owner, the Project, the Prior Bonds or the Bonds made or given to the Issuer or the Trustee, or any of their agents or employees, including, but not limited to, statements or representations of fact or financial information. In the event that any action or proceeding is brought against the Indemnified Parties, with respect to which indemnity may be sought hereunder, the Owner, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and the payment of all expenses; provided that the Indemnified Party shall have the right to review and approve or disapprove any compromise or settlement in connection with any claim brought against it or proceeding to which it is a party. The Indemnified Parties, or any of them, shall have the right to engage separate counsel in any such action or proceeding and to participate in the defense thereof, and the Owner shall pay the reasonable fees and expenses of such separate counsel.

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The Owner also shall pay and discharge and shall indemnify and hold harmless the Trustee from (i) any lien or charge upon payments by the Owner to the Issuer and the Trustee hereunder and (ii) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges in respect of any portion of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer or the Trustee shall give prompt notice to the Owner and the Owner shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

In addition thereto, the Owner will pay upon demand all of the fees and expenses paid or incurred by the Trustee and/or the Issuer in enforcing the provisions of this Regulatory Agreement.

This Section 7 shall survive termination of this Regulatory Agreement and shall survive the transfer of the Project to a new owner if such new owner does not assume the obligations of the Owner under this Section 7.

Section 8. Consideration. The Issuer has issued the Bonds to provide funds to refinance the Project. The Trustee has entered into the Indenture and assumed duties and obligations thereunder which facilitate the issuance of the Bonds. In consideration of the issuance of the Bonds by the Issuer, the execution of the Indenture by the Trustee and the making of the Mortgage Loan to the Owner, the Owner has entered into this Regulatory Agreement, has agreed to continue to restrict the uses to which the Project can be put as originally restricted by the Prior Regulatory Agreement and on the terms and conditions set forth herein. The Owner also agrees to pay to the Issuer on the Bond Issuance Date its administrative fee equal to .50% of the original principal amount of the Bonds.

Section 9. Reliance. The Issuer and the Owner hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons interested in the legality and validity of the Bonds and in the exclusion from gross income for federal income tax purposes and California personal income taxation of the interest on the Bonds. In performing their duties and obligations hereunder, the Issuer and the Trustee may rely upon statements and certificates of the Lower-Income Tenants and the Administrator, and upon audits of the books and records of the Owner pertaining to the Project. In addition, the Issuer and the Trustee may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Issuer or the Trustee hereunder in good faith and in conformity with such opinion. In determining whether any default or lack of compliance by the Owner exists under this Regulatory Agreement, the Trustee shall not be required to conduct any investigation into or review of the operations or records of the Owner and may rely solely on any notice or certificate delivered to the Trustee by the Owner, the Administrator or the Issuer with respect to the occurrence or absence of a default unless it knows, or in the exercise of reasonable care should have known, that the notice or certificate is erroneous or misleading.

Section 10. Project Location. The Owner hereby represents and warrants that the Project is located entirely within the territorial boundaries of the Issuer.

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**Section 11. Sale or Transfer of the Project.** Except as may be specifically permitted under the FHA Documents, the Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof (other than for individual tenant use as contemplated hereunder), without obtaining the prior written consent of the Issuer, which consent shall not be unreasonably withheld if there shall have been received by the Issuer (i) reasonable evidence satisfactory to the Issuer that the Owner's purchaser or transferee has assumed in writing and in full, in a form acceptable to the Issuer, the Owner's duties and obligations under this Regulatory Agreement which shall be delivered to the Issuer prior to the transfer; (ii) an opinion of counsel to the transferee, in a form acceptable to the Issuer, that the transferee has duly assumed the obligations of the Owner under this Regulatory Agreement and that such obligations and this Regulatory Agreement are binding on the transferee; and (iii) an opinion of Bond Counsel that such transfer will not adversely affect the exclusion from gross income for federal income tax purposes or the exemption from State of California personal income taxes of interest on the Bonds. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 11 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations under this Regulatory Agreement. This Section 11 shall not apply to transfers as a result of the exercise of the power of eminent domain by a public agency. Nothing contained in this section shall affect any provision of the Mortgage or any other document or instrument between the Owner and the Issuer, FHA or the Trustee which requires the Owner to obtain the consent of the Issuer, FHA or the Trustee as a precondition to sale, transfer or other disposition of the Project or which gives FHA or the Trustee the right to accelerate the maturity of the Mortgage Loan, or to take some other similar action with respect to the Mortgage Loan upon the sale, transfer or other disposition of the Project.

**Section 12. Term.** This Regulatory Agreement and all and several of the terms hereof shall become effective upon its execution and delivery and shall remain in full force and effect for the Qualified Project Period, it being expressly agreed and understood that if the Qualified Project Period has not expired the provisions hereof are intended to survive the retirement of the Bonds and expiration of the Indenture, the Loan Agreement, the Mortgage Loan and the Mortgage Note. Notwithstanding any other provisions of this Regulatory Agreement, this entire Regulatory Agreement, or any of the provisions or sections hereof, may be terminated upon agreement by the Issuer, the Trustee, and the Owner if there shall have been received an opinion of Bond Counsel that such termination will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds or the exemption from State of California personal income taxation of the interest on the Series A Bonds. The foregoing shall in no way obligate the Issuer to approve an early termination of this Regulatory Agreement.

The terms of this Regulatory Agreement to the contrary notwithstanding, this Regulatory Agreement, and all and several of the terms hereof, shall terminate and be of no further force and effect in the event of (i) a foreclosure by FHA or its successors of the lien of the Mortgage or delivery of a deed in lieu of foreclosure pursuant to which FHA, or a purchaser or transferee pursuant to such foreclosure, shall take possession of the Project, or involuntary non-compliance with the provisions of this Regulatory Agreement caused by fire, seizure, requisition, change in a federal law or an action of a federal agency after the Bond Issuance Date which prevents the Issuer and the Trustee from enforcing the provisions hereof or condemnation or a similar event and (ii) the payment in full and retirement of the Bonds within a reasonable period thereafter; provided, however, that the preceding provisions of this sentence shall cease to apply and the

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restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of an event described in (i) above, the Owner or an Affiliated Party obtains an ownership interest in the Project for federal income tax purposes. Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

**Section 13. Covenants to Run With the Land.** The Owner hereby subjects the Project (including the Project Site) to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The Issuer and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project; provided, however, that upon the termination of this Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

**Section 14. Burden and Benefit.** The Issuer and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The Issuer and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by Lower-Income Tenants, and by furthering the public purposes for which the Bonds were issued.

**Section 15. Uniformity; Common Plan.** The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use, development and improvement of the Project Site.

**Section 16. Enforcement.** If the Owner defaults in the performance or observance of any covenant, agreement or obligation of the Owner set forth in this Regulatory Agreement, and if such default remains uncured for a period of thirty days after notice thereof shall have been given by the Issuer, the Administrator or the Trustee to the Owner (provided that such thirty-day cure period may be extended and the exercise of the enforcement remedies delayed if the Owner has commenced to cure such default within such thirty-day period and thereafter diligently and continuously prosecutes such cure to conclusion and the Trustee and the Issuer have received an opinion of Bond Counsel that the extension of such cure period and delay in the exercise of the enforcement remedies will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds), then the Issuer, or the Trustee, at the direction of the Issuer and subject to the provisions of the Indenture, acting on behalf the Issuer, shall declare an "Event of Default" to have occurred hereunder, and upon such default the Owner hereby agrees to pay the Issuer (but only to the extent of any available "surplus cash", as defined in the FHA Regulatory Agreement) any rents or other amounts received by the Owner for any units in the Project which were in violation of this Regulatory Agreement during the period such violation continued, and the Issuer shall apply to any court, state or federal, for specific

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performance of this Regulatory Agreement or an injunction against any violation of this Regulatory Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Regulatory Agreement.

Notwithstanding the foregoing, enforcement of this Regulatory Agreement shall not serve as a basis for a declaration of default under the Mortgage or acceleration of the Mortgage Loan or result in any claim under such Mortgage Loan, or claim against the Project, the Mortgage Loan proceeds, any reserve or deposit made with the mortgagee or another person or entity required by HUD in connection with the Mortgage Loan transaction, or against the rents or other income from the Project (other than surplus cash) for payment hereunder.

No breach of this Regulatory Agreement will defeat, render invalid or impair the lien of the Mortgage.

The Owner and the Issuer each acknowledge that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Regulatory Agreement is to preserve the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds, and that the Trustee on behalf of the Series A Bondholders, who are declared to be third party beneficiaries of this Regulatory Agreement, shall be entitled, for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

The Trustee shall have the right, in accordance with this Section 16 and the provisions of the Indenture, without the consent or approval of the Issuer, to exercise any or all of the rights or remedies of the Issuer hereunder; provided that prior to taking any such act the Trustee shall give the Issuer reasonable written notice, which shall not be less than 15 days in advance of its intended action. All fees, costs and expenses of the Trustee and the Issuer incurred in taking any action pursuant to this Section 16 shall be the sole responsibility of the Owner.

After the Indenture has been discharged, the Issuer may act on its own behalf to declare an "Event of Default" hereunder and to exercise any of the enforcement remedies set forth above to the same extent and with the same effect as if taken by the Trustee.

Section 17. Recording and Filing. The Owner shall cause this Regulatory Agreement and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of the County of Los Angeles and in such other places as the Issuer or the Trustee may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

Section 18. Attorneys' Fees and Trustee's Fees. In the event that a party to this Regulatory Agreement brings an action against any other party to this Regulatory Agreement by reason of the breach of any condition or covenant, representation or warranty in this Regulatory Agreement, or otherwise arising out of this Regulatory Agreement, the prevailing party in such action shall be entitled to recover from the other reasonable attorneys' fees to be fixed by the court which shall render a judgment, as well as the costs of suit.

The Owner hereby covenants and agrees that it will pay to the Trustee all amounts due the Trustee under Section 7.6 of the Indenture, on demand, and all the amounts needed by the Trustee to pay amounts owing pursuant to Section 2.2 of the Loan Agreement.

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Section 19. Governing Law. This Regulatory Agreement shall be governed by the laws of the State of California and, where applicable, the laws of the United States of America.

Section 20. Amendments. This Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County of Los Angeles and only after receipt of the prior written consent of HUD.

Section 21. Notice. Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

Issuer: Lancaster Redevelopment Authority  
44933 N. Fern Avenue  
Lancaster, California 93534  
Attention: Redevelopment Director

Administrator: Urban Futures, Inc.  
3111 N. Tustin Avenue, Suite 230  
Orange, California 92665

Trustee: First Trust of California, National Association  
101 California Street, Suite 1150  
San Francisco, California 94111  
Attention: Corporate Trust

Owner: High Valley Apartments, a California Limited Partnership  
c/o Alpha Property Management  
1755 E. Martin Luther King Jr. Boulevard  
Los Angeles, California 90058

Notice shall be deemed given three business days after the date of mailing, or, if personally delivered, when received.

Section 22. Severability. If any clause, part or provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 23. Multiple Counterparts. This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 24. Capacity of Trustee. The Trustee is entering into this Regulatory Agreement solely in its capacity as Trustee under the Indenture and the duties, powers and liabilities of the Trustee in acting hereunder shall be subject to the provisions of the Indenture,

including, without limitation, the provisions of Article VII thereof. The Trustee shall be required to act only upon express direction of the Issuer in performing the duties, rights and obligations expressly set forth in this Regulatory Agreement and shall not be responsible or liable for any failure to take any action hereunder in the absence of such express direction. The Issuer shall have the right to appoint an agent to carry out any of its duties and obligations hereunder, and shall inform the Owner and the Trustee of any such agency appointment by written notice.

The Trustee shall have no responsibility to monitor the Owner's compliance with the terms of this Regulatory Agreement. After the date on which no Bonds remain outstanding as provided in the Indenture, the Trustee shall have no duties or responsibilities under this Regulatory Agreement, and all references herein to the Trustee shall be deemed references to the Issuer.

Section 25. Limited Liability of Owner. Monetary obligations of the Owner under this Regulatory Agreement (except for its obligations under Section 7) shall be limited obligations payable solely from the income and assets of the Project and neither the Owner or any successor or assignee thereof nor any general partner of the Owner or any successor or assignee thereof shall have personal liability for such monetary obligations.

Section 26. Subordination of Regulatory Agreement. This Regulatory Agreement and the restrictions hereunder are subordinate to the FHA-Insured Mortgage.

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IN WITNESS WHEREOF, the Issuer, the Trustee and the Owner have executed this Regulatory Agreement by their duly authorized representatives, all as of the date first written hereinabove.

LANCASTER REDEVELOPMENT AGENCY

By: James C. Gilley  
Executive Director

FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

HIGH VALLEY APARTMENTS, a California Limited Partnership

By: Edward A. Devore  
General Partner

05 1557299

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IN WITNESS WHEREOF, the Issuer, the Trustee and the Owner have executed this Regulatory Agreement by their duly authorized representatives, all as of the date first written hereinabove.

LANCASTER REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
Executive Director

FIRST TRUST OF CALIFORNIA,  
NATIONAL ASSOCIATION, as Trustee

By: Detrae Sabina  
Authorized Officer

HIGH VALLEY APARTMENTS, a  
California Limited Partnership

By: \_\_\_\_\_  
General Partner

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State of California )  
County of Los Angeles )

On January 22, 1996, before me, Maurcen Reilly,  
Notary Public, personally appeared James C. Gilley,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that he executed the same in his authorized capacity, and that by his  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Maurcen Reilly  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document \_\_\_\_\_  
Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other than Named Above \_\_\_\_\_

**Optional Section:** Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s): \_\_\_\_\_  
Title(s) \_\_\_\_\_
- Partner(s):  Limited  General
- Attorney-in-fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**

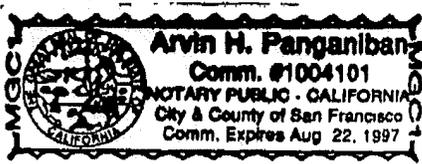
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

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State of California )  
County of San Francisco )

On January 19, 1996, before me, Arvin H. Panganiban,  
Notary Public, personally appeared Leticia Sakimano,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that she executed the same in her authorized capacity, and that by her  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Arvin H. Panganiban  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document \_\_\_\_\_  
Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other than Named Above \_\_\_\_\_

Optional Section: Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s):

\_\_\_\_\_  
Title(s)

- Partner(s):  Limited  General
- Attorney-in-fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**

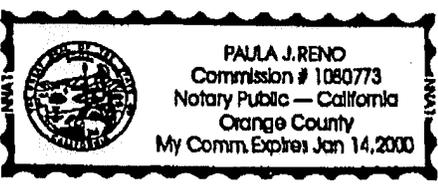
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

**05 1557299**

State of California )  
 )  
County of Orange )

On 1-25, 1996, before me, Paula J. Reno,  
Notary Public, personally appeared Edward S. Devore,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that he executed the same in his authorized capacity, and that by his  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Paula J. Reno  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document Amended and Restated Reg. Agmt.  
Number of Pages 16 Date of Document 1-1-96  
Signer(s) Other than Named Above \_\_\_\_\_

**Optional Section:** Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s):

- \_\_\_\_\_  
Title(s)
- Partner(s):  Limited  General
  - Attorney-in-fact
  - Trustee(s)
  - Guardian/Conservator
  - Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
High Valley Apartments  
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

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EXHIBIT A

LEGAL DESCRIPTION OF PROJECT SITE

All that certain real property situated in the City of Lancaster, County of Los Angeles, State of California, described as follows:

The West half of the East half of the Southwest quarter of the Northeast quarter of Section 20, Township 7 North, Range 12 West, San Bernardino Meridian, in the City of Lancaster, in the County of Los Angeles, State of California, according to the official plat of said land.

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EXHIBIT B

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned, \_\_\_\_\_, being duly authorized to execute this certificate on behalf of High Valley Apartments (the "Owner"), hereby represents and warrants that:

1. The undersigned has read and is thoroughly familiar with the provisions of the following documents associated with the Owner's participation in the Lancaster Redevelopment Agency's (the "Issuer") Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series A, and the Issuer's Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series B, such documents including:

(a) the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated as of January 1, 1996 among the Owner, the Issuer and First Trust of California, National Association (the "Trustee");

(b) the Mortgage Note dated December 1, 1985, between the Owner and the Trustee, as modified by the Assignment, Allonge and Modification Agreement dated as of January \_\_, 1996 among the Owner, the Trustee and Seattle - First National Bank representing the Owner's obligation to repay the Mortgage Loan as insured by HUD.

2. As of the date of this certificate, the following percentages of residential units in the Project (i) are occupied by Lower-Income Tenants ( as such term is defined in the Regulatory Agreement) or (ii) are currently vacant and being held available for such occupancy and have been so held continuously since the date a Lower-Income Tenant vacated such unit; as indicated:

Occupied by Lower-Income Tenants: \_\_\_\_\_% Unit Nos. \_\_\_\_\_

Held vacant for occupancy continuously since last occupied by a Lower-Income Tenant: \_\_\_\_\_% Unit Nos. \_\_\_\_\_

3. The Owner is not in default under the terms of the Regulatory Agreement and no event has occurred which, with the passage of time, would constitute an event of default thereunder.

HIGH VALLEY APARTMENTS, a California Limited Partnership

By: \_\_\_\_\_  
General Partner

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Income Computation

6 The total anticipated income, calculated in accordance with this paragraph 6, of all persons (except children under 18 years) listed above for the 12-month period beginning the earlier of the date that I/we plan to move into a unit or sign a lease for a unit is \$ \_\_\_\_\_.\*

\* If this form is being completed in accordance with recertification of a Lower Income Tenant's occupancy of a Lower Income Unit, this form must be completed based upon the current income of the occupants.

Included in the total anticipated income listed above are:

1. all wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services, before payroll deductions;
2. the net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness or any allowances for depreciation of capital assets except for straight line depreciation as provided in Internal Revenue Service regulations); any withdrawal of cash or assets from the operation of a business or profession will be included in income except to the extent the withdrawal is reimbursed of cash or assets invested in the operation by the family;
3. interest and dividends (including income from assets included below and other net income from real or personal property);
4. the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including any lump sum payment for the delayed start of a periodic payment;
5. payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;
6. the maximum amount of public assistance available to the above persons other than the amount of any assistance specifically designated for shelter and utilities plus the maximum amount that the public assistance agency could in fact allow for shelter and utilities;
7. periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling; and
8. all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse (or other persons whose dependents are residing in the unit).

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Excluded from such anticipated income are:

- (a) casual, sporadic or irregular gifts;
- (b) amounts which are specifically for or in reimbursement of medical expenses;
- (c) lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses;
- (d) amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships or payments to veterans not used for the above purposes are to be included in income;
- (e) hazardous duty pay to a household member in the Armed Forces who is away from home and exposed to hostile fire;
- (f) amounts received under training programs funded by HUD;
- (g) foster child care payments;
- (h) amounts received by a Disabled (as defined below) person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency;
- (i) income of a live-in aide;
- (j) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program;
- (k) reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (l) amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937;
- (m) amounts received under training programs funded by HUD;
- (n) \$480 for each dependent (a member of the household (excluding foster children) other than family head or spouse, who is under 18 years of age or is a Disabled person (person who is under a disability as defined in Section 223 of the Social Security Act or who has developmental disability as defined in Section 102(7) of the Developmental Disability Assistance and Bill of Rights Act) or Handicapped

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person (a person having a physical or mental impairment that is expected to be of a long-continued and indefinite duration, substantially impedes his or her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions) or is a full-time student.

- (o) \$400 for any family whose head or spouse (or sole member) is an Elderly (at least 62 years of age), Disabled, or Handicapped person.
- (p) for any family that is not an Elderly Family (a family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person), but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses (reasonable expenses that are anticipated during the period for which annual income is computed for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary for the family member to be employed provided the expenses are not paid to the family or reimbursed) in excess of 3 percent of annual income but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled person.
- (q) for any family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person, that has no Handicapped Assistance Expenses, an allowance for those medical expenses that are anticipated during the period for which annual income is computed not covered by insurance ("Medical Expenses") equal to the amount by which the medical expenses exceed 3% of annual income.
- (r) for any family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person, that has Handicapped Assistance Expenses greater than or equal to 3% of annual income, an allowance for Handicapped Assistance Expenses in excess of 3% of annual income (but the allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled person), plus an allowance for Medical Expenses equal to the family's Medical Expenses.
- (s) for any family whose head or spouse (or sole member) is an Elderly, Disabled or Handicapped person, that has Handicapped Assistance Expenses that are less than 3% of annual income, an allowance for combined Handicapped Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds 3% of annual income.
- (t) amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed but only where such care is necessary to enable a family member to be gainfully employed or to further education and only to the extent such amounts are not reimbursed; the amount deducted shall reflect reasonable charges for child care and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

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(u) in the case of families assisted by Indian housing authorities, the greater of child care expenses (as described in (t) above), or excessive travel expenses, not to exceed \$25 per family per week for employment or education related travel.

7. Do the persons whose income or contributions are included in item 6 above

(a) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles and interests in Indian trust land)?  
\_\_\_ Yes \_\_\_ No; or

(b) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value?  
\_\_\_ Yes \_\_\_ No

(c) If the answer to (a) or (b) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than \$5,000?  
\_\_\_ Yes \_\_\_ No

(d) If the answer to (c) above is yes, state:

(1) the combined total value of all such assets: \$\_\_\_\_\_;

(2) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy in the unit that you propose to rent: \$\_\_\_\_\_, and

(3) the amount of such income, if any, that was included in item 6 above:  
\$\_\_\_\_\_

8. (a) Are all of the individuals who propose to reside in the unit full-time students\*?  
Yes \_\_\_ No \_\_\_

\*A full-time student is an individual enrolled as a full-time student during each of 5 calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or is an individual pursuing a full-time course of institutional on farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, is at least 2 of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return?  
Yes \_\_\_ No \_\_\_

9. Neither myself nor any other occupant of the unit I/we propose to rent is the owner of the rental housing project in which the unit is located (hereinafter the "Owner"), has any family relationship to the Owner; or owns directly or indirectly any interest in the Owner.

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For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member, ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trustee held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

- 10. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit; and I/we declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.
- 11. I/we will assist the Owner in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.
- 12. I/we acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit and will entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

I/we declare under penalty of perjury that the foregoing is true and correct.

Executed this \_\_\_ day of \_\_\_\_\_ in the County of Los Angeles, California.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Applicant

[Signature of all persons (except children under the age of 18 years) listed in number 2 above required]

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FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

a. Enter amount entered for entire household in 6 above: \$ \_\_\_\_\_

b. (1) If the answer to 7(c) above is yes, enter the total amount entered in 7(d)(2), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ \_\_\_\_\_);

(2) Multiply the amount entered in 7(d)(1) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(d)(1) would be if invested in passbook savings (\$ \_\_\_\_\_), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ \_\_\_\_\_);

(3) Enter at right the greater of the amount calculated under (1) or (2) above: \$ \_\_\_\_\_

c. TOTAL ELIGIBLE INCOME (Line 1.a plus line 1.b(3)): \$ \_\_\_\_\_

2. The amount entered in 1.c:

\_\_\_ Qualifies the applicant(s) as a Lower-Income Tenant(s)

\_\_\_ Does not qualify the applicant(s) as a Lower-Income Tenant(s).

3. Number of apartment unit assigned: \_\_\_\_\_  
Bedroom Size: \_\_\_\_\_ Rent: \$ \_\_\_\_\_

4. This apartment unit [was/was not] last occupied for a period of 31 or more consecutive days by persons whose aggregate anticipated annual income as certified in the above manner upon their initial occupancy of the apartment unit qualified them as Lower-Income Tenants.

5. Method used to verify applicant(s) income:

\_\_\_ Employer income verification.

\_\_\_ Copies of tax returns.

\_\_\_ Other ( \_\_\_\_\_ )

\_\_\_\_\_  
Manager

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**INCOME VERIFICATION**  
**(for self-employed persons)**

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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ATTACHMENT NO. 2  
ADMINISTRATION AGREEMENT  
[ATTACHED]

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**ADMINISTRATION AGREEMENT**

By and Among

**LANCASTER REDEVELOPMENT AGENCY**

Issuer

and

**URBAN FUTURES, INC.**

Compliance Monitor

and

**HIGH VALLEY APARTMENTS**

A California Limited Partnership

Owner

Relating to

\$5,900,000

**LANCASTER REDEVELOPMENT AGENCY**

**MULTIFAMILY HOUSING REVENUE REFUNDING BONDS**

**(FHA INSURED MORTGAGE LOAN - HIGH VALLEY APARTMENTS PROJECT)**

**1996 SERIES A**

and

\$15,000

**LANCASTER REDEVELOPMENT AGENCY**

**MULTIFAMILY HOUSING REVENUE REFUNDING BONDS**

**(FHA INSURED MORTGAGE LOAN - HIGH VALLEY APARTMENTS PROJECT)**

**1996 SERIES B**

Dated as of January 1, 1996

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ADMINISTRATION AGREEMENT

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THIS ADMINISTRATION AGREEMENT is made and entered into as of January 1, 1996, by and among the Lancaster Redevelopment Agency, a public body corporate and politic of the State of California (the "Issuer"), High Valley Apartments, a California limited partnership (the "Owner"), and Urban Futures, Inc. (the "Administrator").

RECITALS:

WHEREAS, the Issuer has heretofore issued its Multifamily Housing Revenue Bonds, (FHA Insured Mortgage Loan - High Valley Apartments Project) 1985 Series L (the "Prior Bonds") in order to provide financing for a 140-unit multifamily rental project known as High Valley Apartments, and has issued its \$5,900,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project) 1996 Series A, and its \$15,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series B to refund the Prior Bonds pursuant to an Indenture of Trust dated as of January 1, 1996 (the "Indenture") between the Issuer and First Trust of California, National Association (the "Trustee"); and

WHEREAS, the Issuer has entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants dated as of January 1, 1996 (the "Regulatory Agreement") with the Trustee and the Owner, which agreement, among other things, sets forth certain restrictions applicable to the multifamily rental units to be refinanced, which restrictions are intended to assure continued compliance with the provisions of the Internal Revenue Code of 1954, as amended (the "Code"); and

WHEREAS, the Administrator represents that it has the necessary experience and expertise required to evaluate whether the Project complies with the restrictions contained in the Regulatory Agreement;

NOW, THEREFORE, in consideration of the premises and respective representations and covenants herein contained, the parties hereto agree as follows:

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ARTICLE I

DEFINITIONS AND INTERPRETATION

1.1 Definitions of Terms. All capitalized terms used in this Administration Agreement and not otherwise defined herein shall have the respective meanings given to them in the Indenture and/or the Regulatory Agreement.

1.2 Article and Section Headings. The heading or titles of the several articles and sections hereof shall be solely for the convenience of reference and shall not affect the meaning, construction or effect of the provisions hereof.

1.3 Interpretation. The singular form of any word used herein, including terms defined in the Indenture and/or the Regulatory Agreement, shall include the plural and vice versa, if applicable. The use of a word of any gender shall include all genders, if applicable.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the Issuer. The Issuer makes the following representations and warranties:

A. It is a public body corporate and politic of the State of California, duly organized and existing under the Constitution and laws of the State.

B. It has the power to enter into the transactions contemplated by this Administration Agreement and to carry out its obligations hereunder and to consummate all other transactions contemplated herein; and it has duly authorized the execution and delivery of this Administration Agreement.

2.2 Representations and Warranties of the Owner. The Owner makes the following representations and warranties:

A. It has power and authority to own its properties and carry on its business as now being conducted, and is duly qualified to do such business wherever such qualification is required, including the State of California.

B. It has the power to execute and deliver this Administration Agreement and to carry out the transactions contemplated hereby; and it has duly authorized the execution, delivery and performance of this Administration Agreement.

C. The Administrator is independent from and not under the domination of the Owner, does not have any substantial interest, direct or indirect, in the Owner, and is not an officer or employee of the Owner.

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2.3 Representations and Warranties of the Administrator. The Administrator makes the following representations and warranties:

A. It is a California corporation duly organized, validly existing and in good standing under the laws of the jurisdiction governing such matters and has power and authority to carry on its business as now being conducted, and is duly qualified to do such business wherever such qualification is required, including the State of California.

B. It has the power to execute and deliver this Administration Agreement and to carry out the transactions contemplated hereby; and it has duly authorized the execution, delivery and performance of this Administration Agreement.

C. It is independent from and not under the domination of the Owner, does not have any substantial interest, direct or indirect, in the Owner, and is not an officer or employee of the Owner.

D. It has received copies of the Indenture, the Financing Agreement and the Regulatory Agreement, and it is familiar with the terms and conditions thereof as the same relate to the Code.

ARTICLE III

DUTIES AND COMPENSATION OF THE ADMINISTRATOR

3.1 Duties. For and on behalf of the Issuer, the Administrator will perform the following duties in a careful and timely manner, to the highest standards of its profession:

A. It will be familiar with and will give written notice to the Issuer, the Trustee and the Owner within twenty days of the publication by the Department of Housing and Urban Development of any change in:

1. The Median Income for the Area; and
2. The maximum income at which households consisting of various numbers of persons may be determined to be Lower-Income Tenants under the terms of the Regulatory Agreement.

B. Promptly following its receipt thereof, it will review the Income Certifications, Certificates of Continuing Program Compliance, and all other reports and certificates furnished to it pursuant to the Regulatory Agreement in order to determine that each such document is complete and to verify the internal accuracy of the calculations, and conclusions with respect to such calculations, set forth therein, including the conclusion that at least 20% of the completed units in the Project are being occupied by Lower-Income Tenants as specified by the terms of the Regulatory Agreement; and it will maintain such documents on file and open to the inspection by the Issuer, the Trustee and the Owner during the term of the Regulatory Agreement.

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C. Promptly upon determining that any report or certificate submitted to it pursuant to the Regulatory Agreement is inaccurate or incomplete the Administrator shall:

1. If the inaccuracy or lack of completeness does not cause the Project to cease to meet the qualifications set forth in Sections 3, 4 or 6 of the Regulatory Agreement, give notice of such inaccuracy or lack of completeness to the Owner and direct the Owner to correct or complete the same, as the case may be, within a 30-day period, subject to extension in the sole discretion of the Administrator; and

2. If the inaccuracy or lack of completeness is not corrected within ten (10) days or if the inaccuracy or lack of completeness causes the Project to cease to meet the qualifications set forth in Sections 3, 4 or 6, immediately give written notice of said fact to the Issuer, the Trustee and the Owner.

D. In the event that the Owner fails to file with the Administrator any report or certification required pursuant to the Regulatory Agreement within the time set forth in the Regulatory Agreement, the Administrator shall immediately give written notice of that fact to the Issuer, the Trustee and the Owner.

3.2 Compensation. For all services rendered pursuant hereto and all costs and expenses incurred hereunder, the Administrator shall be paid an annual fee equal to .045% of the principal amount of the Mortgage Note on the Bond Issuance Date, payable in arrears on June 1 and December 1 of each year, commencing on June 1, 1996; provided that such fee shall not be less than \$2,537.66 per year unless there is a redemption in part of the Bonds, in which case such minimum fee shall be reduced on a pro rata basis with the Bonds redeemed. The fee of the Administrator shall be paid to the Administrator by the Trustee from Pledged Revenues and, to the extent Pledged Revenues are insufficient therefor, shall be paid by the Owner. Neither the Issuer nor the Trustee shall be liable to the Administrator for any amounts owed to it by the Owner.

ARTICLE IV

TERM

4.1 Term of Agreement. Unless sooner terminated pursuant to the provisions of Sections 4.2 and 4.3 hereof, this Administration Agreement shall remain in full force and effect for the term of the Regulatory Agreement.

4.2 Termination. At its sole discretion, the Issuer may terminate this Administration Agreement upon giving the Administrator thirty days written notice of its intention to do so.

4.3 Resignation of Administrator. The Administrator may resign from its position and terminate this Administration Agreement by giving the other parties hereto thirty days written notice of its intention to do so, but only if the Owner shall have failed to pay the Administrator the compensation due the Administrator hereunder on the date provided for herein and if such failure shall continue for a thirty-day period following notice to the Owner.

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ARTICLE V

MISCELLANEOUS PROVISIONS

5.1 Execution in Counterparts. This Administration Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

5.2 Business Days. If any action is required to be taken hereunder on a date which falls on other than a Business Day, such action shall be taken on the next succeeding Business Day.

5.3 Governing Law. This Administration Agreement shall be construed in accordance with the laws of the State of California and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

5.4 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed to the appropriate Notice Address set forth in the Regulatory Agreement. The Notice Address of the Administrator is:

Urban Futures, Inc.  
Crestview Corporate Center  
3111 Tustin Avenue, Suite 230  
Orange, California 92665  
Attention: Marshall Linn

The Notice Address of the Owner is:

High Valley Apartments  
c/o Alpha Property Management  
1755 E. Martin Luther King Jr. Boulevard  
Los Angeles, California 90058  
Attention: Dean Foley

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IN WITNESS WHEREOF, the parties hereto have caused this Administration Agreement to be executed on their behalf by their duly authorized representatives, all as of the date hereinabove written.

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LANCASTER REDEVELOPMENT  
AGENCY

By: James C. Gilley  
James C. Gilley  
Executive Director

URBAN FUTURES, INC., as Administrator

By: \_\_\_\_\_  
Marshall Linn, President

HIGH VALLEY APARTMENTS, a  
California limited partnership

By: Edward A. O'Connell  
General Partner

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IN WITNESS WHEREOF, the parties hereto have caused this Administration Agreement to be executed on their behalf by their duly authorized representatives, all as of the date hereinabove written.

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LANCASTER REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
James C. Gilley  
Executive Director

URBAN FUTURES, INC., as Administrator

By: Marshall Linn  
Marshall Linn, President

HIGH VALLEY APARTMENTS, a  
California limited partnership

By: \_\_\_\_\_  
General Partner

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**RECORDING REQUESTED BY AND WHEN  
RECORDED MAIL TO:**

Revantage Corporate Services  
233 S. Wacker Drive, Suite 4700  
Chicago, IL 60606  
Attn: Ms. Susan Saltzman

(Space Above Line for Recorder's Use Only)

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "**Assignment Agreement**") is entered into as of \_\_\_\_\_, 2020, by and between BRE MG WOODLANDS WEST LLC, a Delaware limited liability company (the "**Assigning Party**"), WOODLANDS WEST REI, LLC, a Delaware limited liability company (the "**Assuming Party**"), and the LANCASTER HOUSING AUTHORITY, in its capacity as housing successor to the LANCASTER REDEVELOPMENT AGENCY, a public body corporation and politic (the "**Agency**"), but is deemed to be effective by the parties hereto as of the date of recordation of the Grant Deed transferring title to the Project (as defined below) from the Assigning Party to the Assuming Party (the "**Transfer Date**").

WHEREAS, the Agency has previously issued its \$5,900,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), Series 1996 Series A and its \$15,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series B (the "**Bonds**") and in connection therewith entered into the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants by and among the Agency, High Valley Apartments, a California limited partnership ("**High Valley Owner**"), and First Trust of California, National Association (the "**Trustee**"), dated as of January 1, 1996 and recorded on January 26, 1996 in the official records of the County of Los Angeles as Instrument No. 96-148749, as assigned by High Valley Owner to Basrock High Valley California, LLC ("**Previous Owner**") pursuant to that certain Assignment and Assumption Agreement dated June 28, 2005, as further assigned by Previous Owner to MG Woodlands West Apartments L.P., a Delaware limited partnership ("**MG Woodlands**") pursuant to that certain Assignment and Assumption Agreement dated as of September 28, 2012 and recorded on October 1, 2012, as further assigned by MG Woodlands to Assigning Party pursuant to that certain Assignment and Assumption Agreement dated as of November 21, 2017 and recorded on November 27, 2017 (as amended and assigned, the "**Regulatory Agreement**") and an Administration Agreement among the Agency, High Valley Owner, and Urban Futures, Inc., dated January 1, 1996, which was assigned concurrently with the Regulatory Agreement by High Valley Owner to Previous Owner, as further assigned by Previous Owner to MG Woodlands, and as further assigned by MG Woodlands to Assigning Party (as assigned, the "**Administration Agreement**").

WHEREAS, the Assigning Party has notified the Agency that it intends to assign its interest in the High Valley Apartments Project (also now known as the Woodlands West

Apartment Homes; the “**Project**”), the Regulatory Agreement and the Administration Agreement to the Assuming Party effective as of the Transfer Date, subject to the approval of the Agency in accordance with the terms of the Regulatory Agreement.

WHEREAS, in connection with the prior assignment from High Valley Owner to Previous Owner the Bonds were paid in full.

WHEREAS, the Assigning Party and Assuming Party have requested certain clarifications and changes to the Regulatory Agreement to which the Agency has agreed.

NOW THEREFORE, the Agency, the Assigning Party and the Assuming Party hereby agree as follows:

SECTION 1. The recitals are true and correct and are incorporated herein by reference.

SECTION 2. The Agency hereby consents to and approves the transfer and conveyance of the Project by Assigning Party to the Assuming Party. The Agency hereby waives the requirement for delivery of (a) an opinion of counsel regarding assumption (as set forth in Section 11(ii) of the Regulatory Agreement) and (b) an opinion of “**Bond Counsel**” (as set forth in Section 11(iii) of the Regulatory Agreement) because the Bonds have been paid in full.

SECTION 3. The Agency hereby approves the assignment of the Assigning Party’s rights, duties and obligations under the Regulatory Agreement and the Administration Agreement to the Assuming Party, subject to the terms of the Regulatory Agreement, the Administration Agreement and this Assignment Agreement.

SECTION 4. The Assigning Party hereby assigns to the Assuming Party all of the Assigning Party’s right, title and interest under the Regulatory Agreement and the Administration Agreement. The Assuming Party hereby (a) assumes all of the duties and obligations of the Assigning Party under the Regulatory Agreement, attached hereto as Attachment No. 1 and incorporated herein by reference and the Administration Agreement attached hereto as Attachment No. 2 and incorporated herein by reference arising from and after the Transfer Date, which assumption shall be effective as of the Transfer Date, and (b) agrees to comply with and perform all of the duties and obligations of the Assigning Party under the Regulatory Agreement and the Administration Agreement arising from and after the Transfer Date.

SECTION 5. The Agency, the Assigning Party and the Assuming Party each hereby agrees and acknowledges that, because the Bonds have been paid in full, the Qualified Project Period under the Regulatory Agreement will terminate on January 26, 2026.

SECTION 6. For purposes of this section, any capitalized term not otherwise defined in this Assignment Agreement shall have the meaning ascribed to such term in the Regulatory Agreement.

A. Notwithstanding anything to the contrary contained in the Regulatory Agreement, the Regulatory Agreement and all of the terms thereof shall terminate and be of no further force

and effect on the date the Project is acquired by foreclosure of any first or second lien security instrument (or instrument in lieu of foreclosure); provided, however, that the previous sentence shall cease to apply and the restrictions contained in the Regulatory Agreement shall be reinstated if, at any time subsequent to the termination of such provision as the result of the foreclosure of the lien of a first or second lien security instrument or the delivery of an instrument in lieu of foreclosure, the Owner or any Affiliated Party obtains an interest in the Project which constitutes an ownership interest therein for federal income tax purposes.

B. Notwithstanding anything to the contrary contained in the Regulatory Agreement, any first or second lien security instrument, and any modifications, renewals or extensions thereof, and any advances (including interest thereon) thereunder or secured thereby shall be and remain at all times liens or charges on the Project, prior and superior to (a) the Regulatory Agreement, and (b) all rights and privileges of the Issuer or Agency thereunder, which are hereby subjected, and made subordinate to the rights of lender and any lien or charge under any first or second lien security instrument. Issuer and Agency hereby subject and subordinate the liens, claims, charges and rights of the Regulatory Agreement to the liens, claims, charges and rights of any first or second lien security instrument.

#### SECTION 7.

A. The Assigning Party hereby represents, warrants and covenants that, to its knowledge (a) it is not in any default of any of the covenants, representations or warranties contained in the Regulatory Agreement or the Administration Agreement, (b) all amounts owing under the Regulatory Agreement or the Administration Agreement are current, and (c) it has not received any notice of default relating to amounts owing under the Regulatory Agreement or the Administration Agreement.

B. The Assuming Party hereby represents, warrants and covenants that it has assumed in full all of the duties, agreements and obligations of the Assigning Party under the Regulatory Agreement and the Administration Agreement arising from and after the Transfer Date, which assumption shall be effective upon the Transfer Date.

C. The Agency hereby represents that it has no knowledge of any violation or default by the Assigning Party or any of its covenants under the Regulatory Agreement or the Administration Agreement.

SECTION 8. Any notices or communications to or among any of the parties to this Assignment Agreement may be given as follows:

To the Agency: Lancaster Housing Authority  
44933 N. Fern Avenue  
Lancaster, California 93534  
Attention: Director  
Telephone: 661-723-6006

To the Assigning Party: BRE MG Woodlands West LLC  
c/o Blackstone Real Estate Advisors L.P.

345 Park Avenue  
New York, New York 10154  
Attention: General Counsel  
Email: realestatenotices@blackstone.com

With a copy to: Pircher, Nichols & Meeks LLP  
1901 Avenue of the Stars, Suite 1200  
Los Angeles, California 90067  
Attention: Real Estate Notices (JHI 5656-201)  
Telephone: (310) 201-8900  
Email: jirons@pircher.com

To Assuming Party: c/o MF Asset Management, Inc,  
4032 Wilshire Blvd., Suite 310  
Los Angeles, California 90010  
Attention: Mark Friedman  
Telephone: 323-243-3866  
E-mail: mark@mfassetmgmt.com

With a copy to: Greg Yaris, Esq.  
1875 Century Park East, Suite 2230  
Los Angeles, California 90067  
Telephone: (310) 553-3900  
E-mail: greg@yarislaw.com

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date first set forth above.

**AGENCY:**

**LANCASTER HOUSING AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Signatures continued on the following page.]*

**ASSIGNING PARTY:**

**BRE MG WOODLANDS WEST LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Signatures continued on the following page.]*

**ASSUMING PARTY:**

**WOODLANDS WEST REI, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Mark Friedman,  
President and Secretary

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 \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

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 \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

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

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WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

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COUNTY OF \_\_\_\_\_ )

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

ATTACHMENT NO. 1  
REGULATORY AGREEMENT  
[ATTACHED]

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RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

KAREN A. ELLIS, ESQ.  
STRADLING, YOCCA, CARLSON & RAUTH  
660 Newport Center Drive, Suite 1600  
Newport Beach, California 92660

**COPY** of Document Recorded  
.....JAN 26 1996.....  
Has not been compared with original.  
Original will be returned when  
processing has been completed.  
LOS ANGELES COUNTY REGISTRAR - RECORDER

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**AMENDED AND RESTATED  
REGULATORY AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS**

By and Among

**LANCASTER REDEVELOPMENT AGENCY**

and

**FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION**

as Trustee

and

**HIGH VALLEY APARTMENTS,  
A CALIFORNIA LIMITED PARTNERSHIP**

**DATED AS OF JANUARY 1, 1996**

Relating to

**\$5,900,000**

**LANCASTER REDEVELOPMENT AGENCY  
MULTIFAMILY HOUSING REVENUE REFUNDING BONDS  
(FHA INSURED MORTGAGE LOAN — HIGH VALLEY APARTMENTS PROJECT)  
1996 SERIES A**

and

**\$15,000**

**LANCASTER REDEVELOPMENT AGENCY  
TAXABLE MULTIFAMILY HOUSING REVENUE REFUNDING BONDS  
(FHA INSURED MORTGAGE LOAN — HIGH VALLEY APARTMENTS PROJECT)  
1996 SERIES B**

**05 1557299**

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- Exhibit B CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE
- Exhibit C INCOME COMPUTATION AND CERTIFICATION

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AMENDED AND RESTATED  
REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS

THIS AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (the "Regulatory Agreement") is made and entered into as of January 1, 1996, by and among LANCASTER REDEVELOPMENT AGENCY, a public body corporate and politic, duly organized and existing under the constitution and laws of the State of California (together with any successor to its rights, duties and obligations, the "Issuer"), FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as Trustee (the "Trustee"), and HIGH VALLEY APARTMENTS, a California limited partnership, as the owner of the property described in Exhibit A hereto (the "Owner").

WITNESSETH:

WHEREAS, the Issuer is authorized by Chapter 8 of Part 1 of Division 24 (commencing with Section 33750) of the Health and Safety Code of the State of California, as amended (the "Act") to issue revenue bonds for the purpose of financing the development of multifamily rental housing; and

WHEREAS, the Issuer has obtained the certification required by Section 8855.7(b) of the Government Code of the State of California; and

WHEREAS, the Issuer is a political subdivision (within the meaning of that term in the Regulations of the Department of the Treasury and the rulings of the Internal Revenue Service); and

WHEREAS, on July 1, 1985 the City Council of the City of Lancaster adopted a resolution (the "Resolution") indicating its intent to provide for the issuance of revenue bonds to finance the 140-unit multifamily rental housing project of the Owner known as High Valley Apartments located at 2325 West Avenue J-8 in the City of Lancaster (the "Project"); and

WHEREAS, in furtherance of the purposes of the Act and the Resolution and as a part of the Issuer's plan of financing residential rental housing, the Issuer issued \$6,265,000 aggregate principal amount of its revenue bonds designated "Lancaster Redevelopment Agency Multifamily Housing Revenue Bonds, 1985 Series L (FHA Insured Mortgage Loan - High Valley Apartments Project)" (the "Prior Bonds"), the proceeds of which were loaned to the Owner (the "Prior Loan") to finance the cost of the Project occupied partially (at least 20 percent of the units) by persons of low and moderate income within the meaning of Section 103(b)(12)(C) of the 1954 Code, all for the public purpose of providing decent, safe and sanitary housing; and

WHEREAS, the Owner has modified the Prior Loan and the Issuer has issued its \$5,875,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series A (the "Series A Bonds") and its \$60,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan — High Valley Apartments Project), 1996 Series B (the "Series B Bonds," and, together with the Series A Bonds, the "Bonds") to refund the Prior Bonds and refinance the Prior Loan, pursuant to

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Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and that certain Indenture of Trust dated as of December 1, 1995, by and between the Issuer and the Trustee (the "Indenture"); and

WHEREAS, the Issuer has determined that in order to ensure the preservation of the low and moderate income units in the Project and to ensure that the Project will continue to be owned and operated in accordance with the 1954 Code, the Code and the Act, it is necessary to enter into this Regulatory Agreement which amends and restates in its entirety that certain Agreement As To Tax Exemption dated as of December 1, 1985, among the Issuer, the Owner and Seattle-First National Bank recorded on December 19, 1985, in the Official Records of the County of Los Angeles as Instrument No. 85-1500406 (the "Prior Regulatory Agreement"); and

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Issuer, the Trustee and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings assigned to them in this Section 1 unless the context in which they are used clearly requires otherwise:

"Administrator" - Urban Futures, Inc., or its successors and assigns.

"Adjusted Income" - The adjusted income of a person (together with the adjusted income of all other persons over the age of 18 years who intend to reside with such person in one residential unit) as calculated in the manner prescribed in Regulation Section 1.103-8.

"Affiliated Party" - A person related to the Owner such that (i) the relationship between such person and the Owner would result in a disallowance of losses under Section 267 or 707(b) of the Code, or (ii) such person and the Owner are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50%" shall be substituted for "at least 80%" each place it appears therein).

"Area" - The Los Angeles-Long Beach Primary Metropolitan Statistical Area.

"Certificate of Continuing Program Compliance" - The Certificate to be filed by the Owner with the Issuer, the Administrator and the Trustee substantially in the form attached hereto as Exhibit B.

"Completion Date" - December 31, 1986, the date of the completion of the construction and equipping of the Project.

"Income Certification" - The Income Computation and Certification attached hereto as Exhibit C.

"Lower-Income Tenants" - Persons or families with an Adjusted Income which does not exceed 80 percent of the Median Income for the Area, as adjusted by household size as shown below. In no event will the occupants of a unit be considered to be Lower-Income Tenants if all

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of such occupants are students (as defined in Section 151(c)(4) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code.

<u>Household Size</u>	<u>Adjustment</u>
1	70%
2	80
3	90
4 or more	100

"Lower Income Units" - The dwelling units in the Project designated for occupancy by Lower-Income Tenants.

"Median Income for the Area" - The median income for the Area as most recently determined by the Secretary of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, or if programs under Section 8 are terminated, median income for the Area determined under the method used by the Secretary prior to such termination.

"Owner's Use of Proceeds Certificate" - The Certificate of the Owner dated as of the Bond Issuance Date with respect to certain Project Costs and other matters delivered to the Issuer by the Owner.

"Prior Bond Issuance Date" - The date of issuance of the Prior Bonds, being December 19, 1985.

"Project" - The Project Facilities and the Project Site.

"Project Facilities" - The buildings, structures and other improvements constructed on the Project Site, and all fixtures and other property owned, leased or licensed by the Owner and located on, or used in connection with, such buildings, structures and other improvements.

"Project Site" - The parcel or parcels of real property described in Exhibit A, attached hereto and by this reference incorporated herein, and all rights and appurtenances appertaining to such property.

"Qualified Project Period" - The period beginning on December 31, 1986, and ending on the latest of (a) March 31, 1997 (the date which is ten years after the first day on which at least 50 percent of the units in the Project were first occupied), (b) June 13, 2007 (the date which is a qualified number of days after the date on which any of the units in the Project were first occupied), (c) the date on which no Bonds remain Outstanding, (d) the date which is thirty (30) years after the Bond Issuance Date, or (e) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 terminates. For purposes of clause (b), the term "qualified number of days" means, with respect to the Bonds, 50 percent of the number of days comprising the term from the date of issuance of the Prior Bonds (December 19, 1985) to the final maturity of the Bonds and any refunding bonds.

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"Regulatory Agreement" - This Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Regulatory Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The defined terms used in the preamble and recitals of this Regulatory Agreement have been included for convenience of reference only, and the meaning, construction and interpretation of all defined terms shall be determined by reference to this Section 1 notwithstanding any contrary definition in the preamble or recitals hereof. The titles and headings of the sections of this Regulatory Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in Section 1.01 of the Indenture.

Section 2. Construction, Equipping and Completion of the Project. The Owner hereby represents as of the date hereof, covenants and agrees as follows:

(a) Within six months after the Prior Bond Issuance Date, the Owner incurred a substantial binding obligation to commence the construction of the Project, pursuant to which the Owner was obligated to expend at least the lesser of (i) 2-1/2% of the principal amount of the Prior Loan, or (ii) \$100,000.

(b) The statements made in the various certificates delivered by the Owner to the Issuer and the Trustee on the Bond Issuance Date are true and correct, including the statement that the Project has been in compliance with the provisions of the Prior Regulatory Agreement at all times since the Prior Bond Issuance Date.

(c) The Owner commenced the construction and equipping of the Project within six months of the Prior Bond Issuance Date.

(d) The Owner completed the construction and equipping of the Project and spent the full amount of the proceeds of the Prior Loan for Project Costs.

(e) Money on deposit in any fund or account in connection with the Prior Bonds or the Series A Bonds, whether or not such money was derived from other sources, was not and shall not be used by or under the direction of the Owner, in a manner which would cause the Prior Bonds or the Series A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or Section 103(c) of the 1954 Code, respectively, and the Owner specifically agrees that the investment of money in any such fund shall be restricted as may be necessary to prevent the Bonds from being "arbitrage bonds" under the Code.

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(f) Neither the Owner nor any Affiliated Party will purchase and hold any Series A Bonds pursuant to any arrangement, formal or informal, in an amount related to the amount of the Mortgage Loan unless an opinion of Bond Counsel is delivered to the Issuer to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds (as to owners of Series A Bonds other than the Owner), and the Owner will not take or omit to take, as is applicable, any other action if such action or omission would in any way cause the proceeds from the sale of the Series A Bonds to be applied in a manner contrary to the requirements of the Indenture, the Loan Agreement or this Regulatory Agreement.

(g) The Owner does not own any buildings or structures which are proximate to the Project, other than those buildings or structures which comprise the Project, which are being financed pursuant to a common plan under which the Project is also being financed.

(h) The Owner (i) intends to hold the Project for its own account, (ii) has no current plans to sell the Project, (iii) has not entered into any agreement or otherwise binding commitment to sell the Project, (iv) recognizes that the refinancing of the Prior Bonds has independent significance apart from any future sale of the Project because of the net reduction in total debt service costs for the Project, and (v) does not intend that the issuance of the Bonds and the refinancing of the Prior Bonds constitute a formally separate step in a single prearranged transaction to reach the end result of the sale of the Project.

Section 3. Residential Rental Property. Except as otherwise permitted pursuant to Section 3(d) below, the Owner hereby acknowledges and agrees that the Project is currently and will continue to be owned, managed and operated as a project for "residential rental property" (within the meaning of Section 103(b)(4)(A) of the 1954 Code) for the Qualified Project Period. To that end, and for the term of this Regulatory Agreement, the Owner hereby represents, covenants, warrants and agrees as follows:

(a) The Project has been acquired, constructed and equipped for the purpose of providing multifamily residential rental property, and the Owner shall own, manage and operate the Project as a project to provide multifamily residential rental property comprised of a building or structure or several interrelated buildings or structures, together with any functionally related and subordinate facilities, and no other facilities, in accordance with Section 103(b)(4)(A) of the 1954 Code and Section 1.103-8(b) of the Regulations, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) All of the dwelling units in the Project are and will remain similarly constructed units, and each dwelling unit in the Project contains and will contain complete separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

(c) No dwelling unit in the Project has been or will at any time be utilized on a transient basis, or has been or will ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park.

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(d) No part of the Project has been or will at any time be owned or used by a cooperative housing corporation, and the Owner has not and shall not take any steps in connection with a conversion to such ownership or use nor shall any condominium ownership interest in any portion of the Project be conveyed to any person, except with the prior written approval of the Issuer, which approval shall not be unreasonably withheld, and delivery to the Issuer of an opinion of Bond Counsel to the effect that (i) the interest on the Series A Bonds will not become taxable thereby and (ii) such use or conversion will not cause the Lower Income Units to become ineligible as inclusionary housing under Section 33413 of the Health and Safety Code of the State of California or any successor section.

(e) All of the dwelling units have been and will continue to be available for rental on a continuous basis to members of the general public (other than units for a resident manager or maintenance personnel or units for individuals or families of low or moderate income as provided for in Section 4(a) herein, including any units rented under the Section 8 assistance program which will be leased to eligible tenants in accordance with Section 8 requirements), and the Owner has not and will not give preference to any particular class or group of persons in renting the dwelling units in the Project, except to the extent dwelling units are required to be leased to Lower-Income Tenants.

(f) The Lower Income Units have been and will continue to be intermingled with all other dwelling units in the Project and are and shall continue to be of comparable quality and offer a range of sizes and number of bedrooms comparable to the other units in the Project. Tenants in the Lower Income Units have had and will continue to have equal access to and enjoyment of all common facilities of the Project.

(g) The Project Site consists of a parcel or parcels that are contiguous except for the interposition of a road, street or stream, and all of the Project Facilities comprise a single geographically and functionally integrated project for residential rental property, as evidenced by the ownership, management, accounting and operation of the Project.

(h) No unit in any building or structure in the Project which contains fewer than five units has been or shall be occupied by the Owner or any Affiliated Party, other than units occupied by a resident manager or maintenance personnel.

(i) The Project was completed on December 31, 1986. The date on which any of the units in the Project was first occupied is September 22, 1986. The date on which 10% of the dwelling units in the Project was first occupied is December 31, 1986, and the date on which 50% of the dwelling units in the Project were first occupied is March 31, 1987.

**Section 4. Lower-Income Tenants.** Except as otherwise permitted by the provisions of Section 3(d) above, pursuant to the requirements of Section 103(b)(4)(A) of the 1954 Code, the Owner hereby represents, warrants and covenants that, throughout the Qualified Project Period:

(a) Not less than twenty percent (20%) of the units in the Project have been and shall be continuously occupied or held available for occupancy by Lower-Income Tenants for a term of not less than 31 days. For this purpose, a unit occupied by a Lower-Income Tenant who at the commencement of occupancy is a Lower-Income Tenant shall be treated as occupied by a Lower-

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Income Tenant, during such tenant's tenancy in such unit, even though the tenant's income subsequently rises to a level at which the tenant would no longer qualify as a Lower-Income Tenant. Moreover, a unit previously occupied by a Lower-Income Tenant and then vacated shall be considered occupied by a Lower-Income Tenant until reoccupied, other than for a temporary period, at which time the character of the unit shall be redetermined. In no event shall such temporary period exceed thirty-one (31) days.

(b) On the first day of each calendar month during the term of this Regulatory Agreement, the Owner shall advise the Issuer, the Trustee and the Administrator of the status of the occupancy of the Project by delivering to such parties the Certificate of Continuing Program Compliance. In addition, the Owner shall submit any other information, documents or certifications requested by the Issuer which the Issuer deems reasonably necessary to substantiate the Owner's continuing compliance with the provisions of this Regulatory Agreement and Section 103(b)(4)(A) of the 1954 Code.

(c) The Owner has obtained and will obtain and maintain on file an Income Certification from each Lower-Income Tenant, dated immediately prior to the initial occupancy of such Lower-Income Tenant in the Project, and will provide such additional information as may be required in the future by the State of California, the Issuer and by Section 103(b)(4)(A) of the 1954 Code and the Regulations, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures or other official statements now or hereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to obligations transitioned under Section 1313(a) of the Tax Reform Act of 1986. A copy of each such Income Certification has been and will be attached to the monthly Certificate of Continuing Program Compliance filed with the Administrator pursuant to subsection (b). The Owner shall verify that the income provided by an applicant in an Income Certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain a federal income tax return for the most recent tax year, (2) obtain an employment verification form from the applicant's current employer, or (3) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

(d) The Owner has maintained and will maintain complete and accurate records pertaining to the Lower Income Units, and will permit any duly authorized representative of the Issuer, the Administrator, the Trustee, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Owner pertaining to the Project, including those records pertaining to the occupancy of the Lower Income Units.

(e) The Owner has and shall accept as tenants on the same basis as all other prospective tenants, persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, or its successor. The Owner shall not apply selection criteria to Section 8 certificate or voucher holders which are more burdensome than criteria applied to all other prospective tenants.

(f) The form of lease to be utilized by the Owner in renting any units in the Project to any person other than a Section 8 tenant who is intended to qualify as a Lower-Income Tenant has and shall provide that the tenant will comply promptly with all requests from the Issuer, the Administrator or the Owner for evidence of income verification and shall provide for termination

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of the lease and consent by such person to immediate eviction for failure to qualify as a Lower-Income Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification or refusal to provide income verification information on request.

**Section 5. Tax Exempt Status of the Series A Bonds.** The Owner and the Issuer each hereby represents, warrants and agrees that:

(a) it will not knowingly take or permit, or omit to take or cause to be taken, as is appropriate, any action that would adversely affect the exclusion from gross income for federal income purposes or the exemption from California personal income taxation of the interest on the Series A Bonds and, if it should take or permit, or omit to take or cause to be taken, any such action, it will take all lawful actions necessary to rescind or correct such actions or omissions promptly upon obtaining knowledge thereof;

(b) it will take such action or actions as may be necessary, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations issued under Section 103(b)(4)(A) of the 1954 Code and transitioned under Section 1313(a) of the Tax Reform Act of 1986; and

(c) it will file and/or record such documents and take such other steps as are necessary, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, in order to insure that the requirements and restrictions of this Regulatory Agreement will be binding upon all owners of the Project during the Qualified Project Period, including, but not limited to, the execution and recordation of this Regulatory Agreement in the real property records of the County of Los Angeles.

The Owner hereby covenants to include the requirements and restrictions contained in this Regulatory Agreement in any documents transferring any interest (other than a leasehold interest) in the Project to another person to the end that such transferee has notice of, and is bound by, such restrictions, and to obtain the agreement from any transferee to abide by all requirements and restrictions of this Regulatory Agreement.

The Owner further covenants and agrees that it will not approve or consent to any amendment to the FHA Documents without first notifying the Issuer, in writing, of such proposed amendment.

**Section 6. Modification of Special Tax Covenants.** The Owner, the Trustee and the Issuer hereby agree as follows:

(a) To the extent any amendments to the Regulations or the 1954 Code or the Code shall, in the written opinion of Bond Counsel filed with the Issuer, the Trustee and the Owner, impose requirements upon the ownership or operation of the Project more restrictive than those imposed by this Regulatory Agreement which must be complied with in order to maintain the exemption from taxation of interest on the Series A Bonds, this Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements.

(b) To the extent any amendments to the Regulations or the 1954 Code or the Code shall, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, impose requirements upon the ownership or operation of the Project less restrictive than imposed by this Regulatory Agreement, this Regulatory Agreement may be amended or modified to provide such less restrictive requirements should the Issuer, in its sole discretion, decide that such requirements should be made applicable to the Project.

(c) The Owner, the Issuer and the Trustee shall execute, deliver and, if applicable, file of record any and all documents and instruments, necessary to effectuate the intent of this Section 6, and each of the Owner and the Issuer hereby appoints the Trustee as its true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Owner or the Issuer, as is applicable, any such document or instrument (in such form as may be approved in writing by Bond Counsel) if either the Owner or the Issuer defaults in the performance of its obligations under this subsection (c); provided, however, that the Trustee shall take no action under this subsection (c) without first notifying the Owner, the Lender or the Issuer, or each of them, as is applicable, unless directed in writing by the Issuer, the Lender or the Owner, and without first providing the Owner or the Issuer, or each of them, as is applicable, an opportunity to comply with the requirements of this Section 6.

Section 7. Indemnification. The Owner hereby covenants and agrees that it shall indemnify and hold harmless and defend the Issuer and the Trustee and their respective officers, members, directors, officials, employees and agents of each of them (the "Indemnified Parties") to the maximum extent permitted by law from and against any and all claims, losses, damages, liabilities or expenses, of every conceivable kind, character and nature (including, without limitation, attorneys fees of counsel reasonably acceptable to the indemnified party, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) by or on behalf of any person directly or indirectly resulting from or arising out of or related to any cause whatsoever in connection with (a) this Regulatory Agreement, the Mortgage Loan, the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project (including compliance with laws, ordinances and rules and regulations of public authorities relating thereto) or the sale of Bonds to refinance the Project, (b) any act or omission of the Owner or any of its agents, contractors, servants, employees or licensees in connection with the Project or the sale of Bonds to refinance the Project, and (c) any written statements or representations with respect to the Owner, the Project, the Prior Bonds or the Bonds made or given to the Issuer or the Trustee, or any of their agents or employees, including, but not limited to, statements or representations of fact or financial information. In the event that any action or proceeding is brought against the Indemnified Parties, with respect to which indemnity may be sought hereunder, the Owner, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and the payment of all expenses; provided that the Indemnified Party shall have the right to review and approve or disapprove any compromise or settlement in connection with any claim brought against it or proceeding to which it is a party. The Indemnified Parties, or any of them, shall have the right to engage separate counsel in any such action or proceeding and to participate in the defense thereof, and the Owner shall pay the reasonable fees and expenses of such separate counsel.

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The Owner also shall pay and discharge and shall indemnify and hold harmless the Trustee from (i) any lien or charge upon payments by the Owner to the Issuer and the Trustee hereunder and (ii) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges in respect of any portion of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer or the Trustee shall give prompt notice to the Owner and the Owner shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

In addition thereto, the Owner will pay upon demand all of the fees and expenses paid or incurred by the Trustee and/or the Issuer in enforcing the provisions of this Regulatory Agreement.

This Section 7 shall survive termination of this Regulatory Agreement and shall survive the transfer of the Project to a new owner if such new owner does not assume the obligations of the Owner under this Section 7.

Section 8. Consideration. The Issuer has issued the Bonds to provide funds to refinance the Project. The Trustee has entered into the Indenture and assumed duties and obligations thereunder which facilitate the issuance of the Bonds. In consideration of the issuance of the Bonds by the Issuer, the execution of the Indenture by the Trustee and the making of the Mortgage Loan to the Owner, the Owner has entered into this Regulatory Agreement, has agreed to continue to restrict the uses to which the Project can be put as originally restricted by the Prior Regulatory Agreement and on the terms and conditions set forth herein. The Owner also agrees to pay to the Issuer on the Bond Issuance Date its administrative fee equal to .50% of the original principal amount of the Bonds.

Section 9. Reliance. The Issuer and the Owner hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons interested in the legality and validity of the Bonds and in the exclusion from gross income for federal income tax purposes and California personal income taxation of the interest on the Bonds. In performing their duties and obligations hereunder, the Issuer and the Trustee may rely upon statements and certificates of the Lower-Income Tenants and the Administrator, and upon audits of the books and records of the Owner pertaining to the Project. In addition, the Issuer and the Trustee may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Issuer or the Trustee hereunder in good faith and in conformity with such opinion. In determining whether any default or lack of compliance by the Owner exists under this Regulatory Agreement, the Trustee shall not be required to conduct any investigation into or review of the operations or records of the Owner and may rely solely on any notice or certificate delivered to the Trustee by the Owner, the Administrator or the Issuer with respect to the occurrence or absence of a default unless it knows, or in the exercise of reasonable care should have known, that the notice or certificate is erroneous or misleading.

Section 10. Project Location. The Owner hereby represents and warrants that the Project is located entirely within the territorial boundaries of the Issuer.

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**Section 11. Sale or Transfer of the Project.** Except as may be specifically permitted under the FHA Documents, the Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof (other than for individual tenant use as contemplated hereunder), without obtaining the prior written consent of the Issuer, which consent shall not be unreasonably withheld if there shall have been received by the Issuer (i) reasonable evidence satisfactory to the Issuer that the Owner's purchaser or transferee has assumed in writing and in full, in a form acceptable to the Issuer, the Owner's duties and obligations under this Regulatory Agreement which shall be delivered to the Issuer prior to the transfer; (ii) an opinion of counsel to the transferee, in a form acceptable to the Issuer, that the transferee has duly assumed the obligations of the Owner under this Regulatory Agreement and that such obligations and this Regulatory Agreement are binding on the transferee; and (iii) an opinion of Bond Counsel that such transfer will not adversely affect the exclusion from gross income for federal income tax purposes or the exemption from State of California personal income taxes of interest on the Bonds. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 11 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations under this Regulatory Agreement. This Section 11 shall not apply to transfers as a result of the exercise of the power of eminent domain by a public agency. Nothing contained in this section shall affect any provision of the Mortgage or any other document or instrument between the Owner and the Issuer, FHA or the Trustee which requires the Owner to obtain the consent of the Issuer, FHA or the Trustee as a precondition to sale, transfer or other disposition of the Project or which gives FHA or the Trustee the right to accelerate the maturity of the Mortgage Loan, or to take some other similar action with respect to the Mortgage Loan upon the sale, transfer or other disposition of the Project.

**Section 12. Term.** This Regulatory Agreement and all and several of the terms hereof shall become effective upon its execution and delivery and shall remain in full force and effect for the Qualified Project Period, it being expressly agreed and understood that if the Qualified Project Period has not expired the provisions hereof are intended to survive the retirement of the Bonds and expiration of the Indenture, the Loan Agreement, the Mortgage Loan and the Mortgage Note. Notwithstanding any other provisions of this Regulatory Agreement, this entire Regulatory Agreement, or any of the provisions or sections hereof, may be terminated upon agreement by the Issuer, the Trustee, and the Owner if there shall have been received an opinion of Bond Counsel that such termination will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds or the exemption from State of California personal income taxation of the interest on the Series A Bonds. The foregoing shall in no way obligate the Issuer to approve an early termination of this Regulatory Agreement.

The terms of this Regulatory Agreement to the contrary notwithstanding, this Regulatory Agreement, and all and several of the terms hereof, shall terminate and be of no further force and effect in the event of (i) a foreclosure by FHA or its successors of the lien of the Mortgage or delivery of a deed in lieu of foreclosure pursuant to which FHA, or a purchaser or transferee pursuant to such foreclosure, shall take possession of the Project, or involuntary non-compliance with the provisions of this Regulatory Agreement caused by fire, seizure, requisition, change in a federal law or an action of a federal agency after the Bond Issuance Date which prevents the Issuer and the Trustee from enforcing the provisions hereof or condemnation or a similar event and (ii) the payment in full and retirement of the Bonds within a reasonable period thereafter; provided, however, that the preceding provisions of this sentence shall cease to apply and the

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restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of an event described in (i) above, the Owner or an Affiliated Party obtains an ownership interest in the Project for federal income tax purposes. Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

**Section 13. Covenants to Run With the Land.** The Owner hereby subjects the Project (including the Project Site) to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The Issuer and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project; provided, however, that upon the termination of this Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

**Section 14. Burden and Benefit.** The Issuer and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The Issuer and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by Lower-Income Tenants, and by furthering the public purposes for which the Bonds were issued.

**Section 15. Uniformity; Common Plan.** The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use, development and improvement of the Project Site.

**Section 16. Enforcement.** If the Owner defaults in the performance or observance of any covenant, agreement or obligation of the Owner set forth in this Regulatory Agreement, and if such default remains uncured for a period of thirty days after notice thereof shall have been given by the Issuer, the Administrator or the Trustee to the Owner (provided that such thirty-day cure period may be extended and the exercise of the enforcement remedies delayed if the Owner has commenced to cure such default within such thirty-day period and thereafter diligently and continuously prosecutes such cure to conclusion and the Trustee and the Issuer have received an opinion of Bond Counsel that the extension of such cure period and delay in the exercise of the enforcement remedies will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds), then the Issuer, or the Trustee, at the direction of the Issuer and subject to the provisions of the Indenture, acting on behalf the Issuer, shall declare an "Event of Default" to have occurred hereunder, and upon such default the Owner hereby agrees to pay the Issuer (but only to the extent of any available "surplus cash", as defined in the FHA Regulatory Agreement) any rents or other amounts received by the Owner for any units in the Project which were in violation of this Regulatory Agreement during the period such violation continued, and the Issuer shall apply to any court, state or federal, for specific

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performance of this Regulatory Agreement or an injunction against any violation of this Regulatory Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Regulatory Agreement.

Notwithstanding the foregoing, enforcement of this Regulatory Agreement shall not serve as a basis for a declaration of default under the Mortgage or acceleration of the Mortgage Loan or result in any claim under such Mortgage Loan, or claim against the Project, the Mortgage Loan proceeds, any reserve or deposit made with the mortgagee or another person or entity required by HUD in connection with the Mortgage Loan transaction, or against the rents or other income from the Project (other than surplus cash) for payment hereunder.

No breach of this Regulatory Agreement will defeat, render invalid or impair the lien of the Mortgage.

The Owner and the Issuer each acknowledge that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Regulatory Agreement is to preserve the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds, and that the Trustee on behalf of the Series A Bondholders, who are declared to be third party beneficiaries of this Regulatory Agreement, shall be entitled, for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

The Trustee shall have the right, in accordance with this Section 16 and the provisions of the Indenture, without the consent or approval of the Issuer, to exercise any or all of the rights or remedies of the Issuer hereunder; provided that prior to taking any such act the Trustee shall give the Issuer reasonable written notice, which shall not be less than 15 days in advance of its intended action. All fees, costs and expenses of the Trustee and the Issuer incurred in taking any action pursuant to this Section 16 shall be the sole responsibility of the Owner.

After the Indenture has been discharged, the Issuer may act on its own behalf to declare an "Event of Default" hereunder and to exercise any of the enforcement remedies set forth above to the same extent and with the same effect as if taken by the Trustee.

**Section 17. Recording and Filing.** The Owner shall cause this Regulatory Agreement and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of the County of Los Angeles and in such other places as the Issuer or the Trustee may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

**Section 18. Attorneys' Fees and Trustee's Fees.** In the event that a party to this Regulatory Agreement brings an action against any other party to this Regulatory Agreement by reason of the breach of any condition or covenant, representation or warranty in this Regulatory Agreement, or otherwise arising out of this Regulatory Agreement, the prevailing party in such action shall be entitled to recover from the other reasonable attorneys' fees to be fixed by the court which shall render a judgment, as well as the costs of suit.

The Owner hereby covenants and agrees that it will pay to the Trustee all amounts due the Trustee under Section 7.6 of the Indenture, on demand, and all the amounts needed by the Trustee to pay amounts owing pursuant to Section 2.2 of the Loan Agreement.

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Section 19. Governing Law. This Regulatory Agreement shall be governed by the laws of the State of California and, where applicable, the laws of the United States of America.

Section 20. Amendments. This Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County of Los Angeles and only after receipt of the prior written consent of HUD.

Section 21. Notice. Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

Issuer: Lancaster Redevelopment Authority  
44933 N. Fern Avenue  
Lancaster, California 93534  
Attention: Redevelopment Director

Administrator: Urban Futures, Inc.  
3111 N. Tustin Avenue, Suite 230  
Orange, California 92665

Trustee: First Trust of California, National Association  
101 California Street, Suite 1150  
San Francisco, California 94111  
Attention: Corporate Trust

Owner: High Valley Apartments, a California Limited Partnership  
c/o Alpha Property Management  
1755 E. Martin Luther King Jr. Boulevard  
Los Angeles, California 90058

Notice shall be deemed given three business days after the date of mailing, or, if personally delivered, when received.

Section 22. Severability. If any clause, part or provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 23. Multiple Counterparts. This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 24. Capacity of Trustee. The Trustee is entering into this Regulatory Agreement solely in its capacity as Trustee under the Indenture and the duties, powers and liabilities of the Trustee in acting hereunder shall be subject to the provisions of the Indenture,

including, without limitation, the provisions of Article VII thereof. The Trustee shall be required to act only upon express direction of the Issuer in performing the duties, rights and obligations expressly set forth in this Regulatory Agreement and shall not be responsible or liable for any failure to take any action hereunder in the absence of such express direction. The Issuer shall have the right to appoint an agent to carry out any of its duties and obligations hereunder, and shall inform the Owner and the Trustee of any such agency appointment by written notice.

The Trustee shall have no responsibility to monitor the Owner's compliance with the terms of this Regulatory Agreement. After the date on which no Bonds remain outstanding as provided in the Indenture, the Trustee shall have no duties or responsibilities under this Regulatory Agreement, and all references herein to the Trustee shall be deemed references to the Issuer.

Section 25. Limited Liability of Owner. Monetary obligations of the Owner under this Regulatory Agreement (except for its obligations under Section 7) shall be limited obligations payable solely from the income and assets of the Project and neither the Owner or any successor or assignee thereof nor any general partner of the Owner or any successor or assignee thereof shall have personal liability for such monetary obligations.

Section 26. Subordination of Regulatory Agreement. This Regulatory Agreement and the restrictions hereunder are subordinate to the FHA-Insured Mortgage.

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IN WITNESS WHEREOF, the Issuer, the Trustee and the Owner have executed this Regulatory Agreement by their duly authorized representatives, all as of the date first written hereinabove.

LANCASTER REDEVELOPMENT AGENCY

By: James C. Gilley  
Executive Director

FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

HIGH VALLEY APARTMENTS, a California Limited Partnership

By: Edward A. Devore  
General Partner

05 1557299

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IN WITNESS WHEREOF, the Issuer, the Trustee and the Owner have executed this Regulatory Agreement by their duly authorized representatives, all as of the date first written hereinabove.

LANCASTER REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
Executive Director

FIRST TRUST OF CALIFORNIA,  
NATIONAL ASSOCIATION, as Trustee

By: Detrae Sabina  
Authorized Officer

HIGH VALLEY APARTMENTS, a  
California Limited Partnership

By: \_\_\_\_\_  
General Partner

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State of California )  
County of Los Angeles )

On January 22, 1996, before me, Maurcen Reilly,  
Notary Public, personally appeared James C. Gilley,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that he executed the same in his authorized capacity, and that by his  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Maurcen Reilly  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document \_\_\_\_\_  
Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other than Named Above \_\_\_\_\_

**Optional Section:** Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s): \_\_\_\_\_  
Title(s)
- Partner(s):  Limited  General
- Attorney-in-fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**

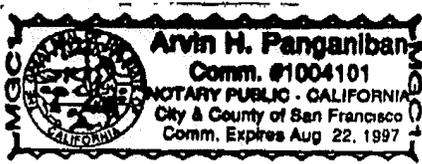
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

**05 1557299**

State of California )  
County of San Francisco )

On January 19, 1996, before me, Arvin H. Panganiban,  
Notary Public, personally appeared Leticia Sakimano,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that she executed the same in her authorized capacity, and that by her  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Arvin H. Panganiban  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document \_\_\_\_\_  
Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other than Named Above \_\_\_\_\_

Optional Section: Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s):

\_\_\_\_\_  
Title(s)

- Partner(s):  Limited  General
- Attorney-in-fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**

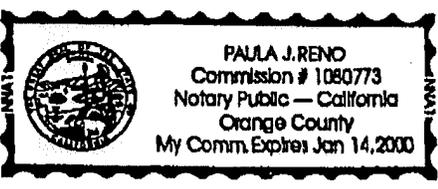
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

**05 1557299**

State of California )  
County of Orange )

On 1-25, 1996, before me, Paula J. Reno,  
Notary Public, personally appeared Edward S. Devore,  
personally known to me to be the person whose name is subscribed to the within instrument and  
acknowledged to me that he executed the same in his authorized capacity, and that by his  
signature on the instrument the person, or the entity upon behalf of which the person acted,  
executed the instrument.

WITNESS my hand and official seal.



Paula J. Reno  
Signature of Notary

**Optional Section**

Although the information requested below is optional, it could prevent fraudulent attachment of  
this certificate to an unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document Amended and Restated Reg. Agmt.  
Number of Pages 16 Date of Document 1-1-96  
Signer(s) Other than Named Above \_\_\_\_\_

**Optional Section:** Although the statute does not require the notary to fill in the data below, doing  
so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s):

- \_\_\_\_\_  
Title(s)
- Partner(s):  Limited  General
  - Attorney-in-fact
  - Trustee(s)
  - Guardian/Conservator
  - Other: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
High Valley Apartments  
\_\_\_\_\_  
Name(s) of person(s) or entity(ies)

05 1557299

EXHIBIT A

LEGAL DESCRIPTION OF PROJECT SITE

All that certain real property situated in the City of Lancaster, County of Los Angeles, State of California, described as follows:

The West half of the East half of the Southwest quarter of the Northeast quarter of Section 20, Township 7 North, Range 12 West, San Bernardino Meridian, in the City of Lancaster, in the County of Los Angeles, State of California, according to the official plat of said land.

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EXHIBIT B

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned, \_\_\_\_\_, being duly authorized to execute this certificate on behalf of High Valley Apartments (the "Owner"), hereby represents and warrants that:

1. The undersigned has read and is thoroughly familiar with the provisions of the following documents associated with the Owner's participation in the Lancaster Redevelopment Agency's (the "Issuer") Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series A, and the Issuer's Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series B, such documents including:

(a) the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated as of January 1, 1996 among the Owner, the Issuer and First Trust of California, National Association (the "Trustee");

(b) the Mortgage Note dated December 1, 1985, between the Owner and the Trustee, as modified by the Assignment, Allonge and Modification Agreement dated as of January \_\_, 1996 among the Owner, the Trustee and Seattle - First National Bank representing the Owner's obligation to repay the Mortgage Loan as insured by HUD.

2. As of the date of this certificate, the following percentages of residential units in the Project (i) are occupied by Lower-Income Tenants ( as such term is defined in the Regulatory Agreement) or (ii) are currently vacant and being held available for such occupancy and have been so held continuously since the date a Lower-Income Tenant vacated such unit; as indicated:

Occupied by Lower-Income Tenants: \_\_\_\_\_% Unit Nos. \_\_\_\_\_

Held vacant for occupancy continuously since last occupied by a Lower-Income Tenant: \_\_\_\_\_% Unit Nos. \_\_\_\_\_

3. The Owner is not in default under the terms of the Regulatory Agreement and no event has occurred which, with the passage of time, would constitute an event of default thereunder.

HIGH VALLEY APARTMENTS, a California Limited Partnership

By: \_\_\_\_\_  
General Partner

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EXHIBIT C

INCOME COMPUTATION AND CERTIFICATION

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR 813). You should make certain that this form is at all times up to date with the HUD Regulations. All capitalized terms used herein shall have the meaning set forth in the Regulatory Agreement.

Re: [Address of Apartment Building]

I/We, the undersigned state that I/we have read and answered fully, frankly and personally each of the following questions for all persons who are to occupy the unit being applied for in the above apartment project. Listed below are the names of all persons who intend to reside in the unit:

1 Name of Members of the Household	2 Relationship to Head of Household	3 Social Security Number	4 Age	5 Place of Employment
	HEAD			
	SPOUSE			

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Income Computation

6 The total anticipated income, calculated in accordance with this paragraph 6, of all persons (except children under 18 years) listed above for the 12-month period beginning the earlier of the date that I/we plan to move into a unit or sign a lease for a unit is \$ \_\_\_\_\_.\*

\* If this form is being completed in accordance with recertification of a Lower Income Tenant's occupancy of a Lower Income Unit, this form must be completed based upon the current income of the occupants.

Included in the total anticipated income listed above are:

1. all wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services, before payroll deductions;
2. the net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness or any allowances for depreciation of capital assets except for straight line depreciation as provided in Internal Revenue Service regulations); any withdrawal of cash or assets from the operation of a business or profession will be included in income except to the extent the withdrawal is reimbursed of cash or assets invested in the operation by the family;
3. interest and dividends (including income from assets included below and other net income from real or personal property);
4. the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including any lump sum payment for the delayed start of a periodic payment;
5. payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;
6. the maximum amount of public assistance available to the above persons other than the amount of any assistance specifically designated for shelter and utilities plus the maximum amount that the public assistance agency could in fact allow for shelter and utilities;
7. periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling; and
8. all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse (or other persons whose dependents are residing in the unit).

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Excluded from such anticipated income are:

- (a) casual, sporadic or irregular gifts;
- (b) amounts which are specifically for or in reimbursement of medical expenses;
- (c) lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses;
- (d) amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships or payments to veterans not used for the above purposes are to be included in income;
- (e) hazardous duty pay to a household member in the Armed Forces who is away from home and exposed to hostile fire;
- (f) amounts received under training programs funded by HUD;
- (g) foster child care payments;
- (h) amounts received by a Disabled (as defined below) person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency;
- (i) income of a live-in aide;
- (j) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program;
- (k) reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (l) amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937;
- (m) amounts received under training programs funded by HUD;
- (n) \$480 for each dependent (a member of the household (excluding foster children) other than family head or spouse, who is under 18 years of age or is a Disabled person (person who is under a disability as defined in Section 223 of the Social Security Act or who has developmental disability as defined in Section 102(7) of the Developmental Disability Assistance and Bill of Rights Act) or Handicapped

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person (a person having a physical or mental impairment that is expected to be of a long-continued and indefinite duration, substantially impedes his or her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions) or is a full-time student.

- (o) \$400 for any family whose head or spouse (or sole member) is an Elderly (at least 62 years of age), Disabled, or Handicapped person.
- (p) for any family that is not an Elderly Family (a family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person), but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses (reasonable expenses that are anticipated during the period for which annual income is computed for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary for the family member to be employed provided the expenses are not paid to the family or reimbursed) in excess of 3 percent of annual income but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled person.
- (q) for any family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person, that has no Handicapped Assistance Expenses, an allowance for those medical expenses that are anticipated during the period for which annual income is computed not covered by insurance ("Medical Expenses") equal to the amount by which the medical expenses exceed 3% of annual income.
- (r) for any family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person, that has Handicapped Assistance Expenses greater than or equal to 3% of annual income, an allowance for Handicapped Assistance Expenses in excess of 3% of annual income (but the allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled person), plus an allowance for Medical Expenses equal to the family's Medical Expenses.
- (s) for any family whose head or spouse (or sole member) is an Elderly, Disabled or Handicapped person, that has Handicapped Assistance Expenses that are less than 3% of annual income, an allowance for combined Handicapped Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds 3% of annual income.
- (t) amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed but only where such care is necessary to enable a family member to be gainfully employed or to further education and only to the extent such amounts are not reimbursed; the amount deducted shall reflect reasonable charges for child care and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

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(u) in the case of families assisted by Indian housing authorities, the greater of child care expenses (as described in (t) above), or excessive travel expenses, not to exceed \$25 per family per week for employment or education related travel.

7. Do the persons whose income or contributions are included in item 6 above

(a) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles and interests in Indian trust land)?  
\_\_\_ Yes \_\_\_ No; or

(b) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value?  
\_\_\_ Yes \_\_\_ No

(c) If the answer to (a) or (b) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than \$5,000?  
\_\_\_ Yes \_\_\_ No

(d) If the answer to (c) above is yes, state:

(1) the combined total value of all such assets: \$\_\_\_\_\_;

(2) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy in the unit that you propose to rent: \$\_\_\_\_\_, and

(3) the amount of such income, if any, that was included in item 6 above:  
\$\_\_\_\_\_

8. (a) Are all of the individuals who propose to reside in the unit full-time students\*?  
Yes \_\_\_ No \_\_\_

\*A full-time student is an individual enrolled as a full-time student during each of 5 calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or is an individual pursuing a full-time course of institutional on farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, is at least 2 of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return?  
Yes \_\_\_ No \_\_\_

9. Neither myself nor any other occupant of the unit I/we propose to rent is the owner of the rental housing project in which the unit is located (hereinafter the "Owner"), has any family relationship to the Owner; or owns directly or indirectly any interest in the Owner.

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For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member, ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trustee held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

- 10. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit; and I/we declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.
- 11. I/we will assist the Owner in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.
- 12. I/we acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit and will entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

I/we declare under penalty of perjury that the foregoing is true and correct.

Executed this \_\_\_ day of \_\_\_\_\_ in the County of Los Angeles, California.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Applicant

[Signature of all persons (except children under the age of 18 years) listed in number 2 above required]

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FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

a. Enter amount entered for entire household in 6 above: \$ \_\_\_\_\_

b. (1) If the answer to 7(c) above is yes, enter the total amount entered in 7(d)(2), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ \_\_\_\_\_);

(2) Multiply the amount entered in 7(d)(1) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(d)(1) would be if invested in passbook savings (\$ \_\_\_\_\_), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ \_\_\_\_\_);

(3) Enter at right the greater of the amount calculated under (1) or (2) above: \$ \_\_\_\_\_

c. TOTAL ELIGIBLE INCOME (Line 1.a plus line 1.b(3)): \$ \_\_\_\_\_

2. The amount entered in 1.c:

\_\_\_ Qualifies the applicant(s) as a Lower-Income Tenant(s)

\_\_\_ Does not qualify the applicant(s) as a Lower-Income Tenant(s).

3. Number of apartment unit assigned: \_\_\_\_\_  
Bedroom Size: \_\_\_\_\_ Rent: \$ \_\_\_\_\_

4. This apartment unit [was/was not] last occupied for a period of 31 or more consecutive days by persons whose aggregate anticipated annual income as certified in the above manner upon their initial occupancy of the apartment unit qualified them as Lower-Income Tenants.

5. Method used to verify applicant(s) income:

\_\_\_ Employer income verification.

\_\_\_ Copies of tax returns.

\_\_\_ Other ( \_\_\_\_\_ )

\_\_\_\_\_  
Manager

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**INCOME VERIFICATION**  
**(for self-employed persons)**

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**05 1557299**

ATTACHMENT NO. 2  
ADMINISTRATION AGREEMENT  
[ATTACHED]

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**ADMINISTRATION AGREEMENT**

By and Among

**LANCASTER REDEVELOPMENT AGENCY**

Issuer

and

**URBAN FUTURES, INC.**

Compliance Monitor

and

**HIGH VALLEY APARTMENTS**

A California Limited Partnership

Owner

Relating to

\$5,900,000

**LANCASTER REDEVELOPMENT AGENCY**

**MULTIFAMILY HOUSING REVENUE REFUNDING BONDS**

**(FHA INSURED MORTGAGE LOAN - HIGH VALLEY APARTMENTS PROJECT)**

**1996 SERIES A**

and

\$15,000

**LANCASTER REDEVELOPMENT AGENCY**

**MULTIFAMILY HOUSING REVENUE REFUNDING BONDS**

**(FHA INSURED MORTGAGE LOAN - HIGH VALLEY APARTMENTS PROJECT)**

**1996 SERIES B**

Dated as of January 1, 1996

**05 1557299**

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ADMINISTRATION AGREEMENT

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THIS ADMINISTRATION AGREEMENT is made and entered into as of January 1, 1996, by and among the Lancaster Redevelopment Agency, a public body corporate and politic of the State of California (the "Issuer"), High Valley Apartments, a California limited partnership (the "Owner"), and Urban Futures, Inc. (the "Administrator").

RECITALS:

WHEREAS, the Issuer has heretofore issued its Multifamily Housing Revenue Bonds, (FHA Insured Mortgage Loan - High Valley Apartments Project) 1985 Series L (the "Prior Bonds") in order to provide financing for a 140-unit multifamily rental project known as High Valley Apartments, and has issued its \$5,900,000 Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project) 1996 Series A, and its \$15,000 Taxable Multifamily Housing Revenue Refunding Bonds (FHA Insured Mortgage Loan - High Valley Apartments Project), 1996 Series B to refund the Prior Bonds pursuant to an Indenture of Trust dated as of January 1, 1996 (the "Indenture") between the Issuer and First Trust of California, National Association (the "Trustee"); and

WHEREAS, the Issuer has entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants dated as of January 1, 1996 (the "Regulatory Agreement") with the Trustee and the Owner, which agreement, among other things, sets forth certain restrictions applicable to the multifamily rental units to be refinanced, which restrictions are intended to assure continued compliance with the provisions of the Internal Revenue Code of 1954, as amended (the "Code"); and

WHEREAS, the Administrator represents that it has the necessary experience and expertise required to evaluate whether the Project complies with the restrictions contained in the Regulatory Agreement;

NOW, THEREFORE, in consideration of the premises and respective representations and covenants herein contained, the parties hereto agree as follows:

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ARTICLE I

DEFINITIONS AND INTERPRETATION

1.1 Definitions of Terms. All capitalized terms used in this Administration Agreement and not otherwise defined herein shall have the respective meanings given to them in the Indenture and/or the Regulatory Agreement.

1.2 Article and Section Headings. The heading or titles of the several articles and sections hereof shall be solely for the convenience of reference and shall not affect the meaning, construction or effect of the provisions hereof.

1.3 Interpretation. The singular form of any word used herein, including terms defined in the Indenture and/or the Regulatory Agreement, shall include the plural and vice versa, if applicable. The use of a word of any gender shall include all genders, if applicable.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the Issuer. The Issuer makes the following representations and warranties:

A. It is a public body corporate and politic of the State of California, duly organized and existing under the Constitution and laws of the State.

B. It has the power to enter into the transactions contemplated by this Administration Agreement and to carry out its obligations hereunder and to consummate all other transactions contemplated herein; and it has duly authorized the execution and delivery of this Administration Agreement.

2.2 Representations and Warranties of the Owner. The Owner makes the following representations and warranties:

A. It has power and authority to own its properties and carry on its business as now being conducted, and is duly qualified to do such business wherever such qualification is required, including the State of California.

B. It has the power to execute and deliver this Administration Agreement and to carry out the transactions contemplated hereby; and it has duly authorized the execution, delivery and performance of this Administration Agreement.

C. The Administrator is independent from and not under the domination of the Owner, does not have any substantial interest, direct or indirect, in the Owner, and is not an officer or employee of the Owner.

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2.3 Representations and Warranties of the Administrator. The Administrator makes the following representations and warranties:

A. It is a California corporation duly organized, validly existing and in good standing under the laws of the jurisdiction governing such matters and has power and authority to carry on its business as now being conducted, and is duly qualified to do such business wherever such qualification is required, including the State of California.

B. It has the power to execute and deliver this Administration Agreement and to carry out the transactions contemplated hereby; and it has duly authorized the execution, delivery and performance of this Administration Agreement.

C. It is independent from and not under the domination of the Owner, does not have any substantial interest, direct or indirect, in the Owner, and is not an officer or employee of the Owner.

D. It has received copies of the Indenture, the Financing Agreement and the Regulatory Agreement, and it is familiar with the terms and conditions thereof as the same relate to the Code.

ARTICLE III

DUTIES AND COMPENSATION OF THE ADMINISTRATOR

3.1 Duties. For and on behalf of the Issuer, the Administrator will perform the following duties in a careful and timely manner, to the highest standards of its profession:

A. It will be familiar with and will give written notice to the Issuer, the Trustee and the Owner within twenty days of the publication by the Department of Housing and Urban Development of any change in:

1. The Median Income for the Area; and
2. The maximum income at which households consisting of various numbers of persons may be determined to be Lower-Income Tenants under the terms of the Regulatory Agreement.

B. Promptly following its receipt thereof, it will review the Income Certifications, Certificates of Continuing Program Compliance, and all other reports and certificates furnished to it pursuant to the Regulatory Agreement in order to determine that each such document is complete and to verify the internal accuracy of the calculations, and conclusions with respect to such calculations, set forth therein, including the conclusion that at least 20% of the completed units in the Project are being occupied by Lower-Income Tenants as specified by the terms of the Regulatory Agreement; and it will maintain such documents on file and open to the inspection by the Issuer, the Trustee and the Owner during the term of the Regulatory Agreement.

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C. Promptly upon determining that any report or certificate submitted to it pursuant to the Regulatory Agreement is inaccurate or incomplete the Administrator shall:

1. If the inaccuracy or lack of completeness does not cause the Project to cease to meet the qualifications set forth in Sections 3, 4 or 6 of the Regulatory Agreement, give notice of such inaccuracy or lack of completeness to the Owner and direct the Owner to correct or complete the same, as the case may be, within a 30-day period, subject to extension in the sole discretion of the Administrator; and

2. If the inaccuracy or lack of completeness is not corrected within ten (10) days or if the inaccuracy or lack of completeness causes the Project to cease to meet the qualifications set forth in Sections 3, 4 or 6, immediately give written notice of said fact to the Issuer, the Trustee and the Owner.

D. In the event that the Owner fails to file with the Administrator any report or certification required pursuant to the Regulatory Agreement within the time set forth in the Regulatory Agreement, the Administrator shall immediately give written notice of that fact to the Issuer, the Trustee and the Owner.

3.2 Compensation. For all services rendered pursuant hereto and all costs and expenses incurred hereunder, the Administrator shall be paid an annual fee equal to .045% of the principal amount of the Mortgage Note on the Bond Issuance Date, payable in arrears on June 1 and December 1 of each year, commencing on June 1, 1996; provided that such fee shall not be less than \$2,537.66 per year unless there is a redemption in part of the Bonds, in which case such minimum fee shall be reduced on a pro rata basis with the Bonds redeemed. The fee of the Administrator shall be paid to the Administrator by the Trustee from Pledged Revenues and, to the extent Pledged Revenues are insufficient therefor, shall be paid by the Owner. Neither the Issuer nor the Trustee shall be liable to the Administrator for any amounts owed to it by the Owner.

ARTICLE IV

TERM

4.1 Term of Agreement. Unless sooner terminated pursuant to the provisions of Sections 4.2 and 4.3 hereof, this Administration Agreement shall remain in full force and effect for the term of the Regulatory Agreement.

4.2 Termination. At its sole discretion, the Issuer may terminate this Administration Agreement upon giving the Administrator thirty days written notice of its intention to do so.

4.3 Resignation of Administrator. The Administrator may resign from its position and terminate this Administration Agreement by giving the other parties hereto thirty days written notice of its intention to do so, but only if the Owner shall have failed to pay the Administrator the compensation due the Administrator hereunder on the date provided for herein and if such failure shall continue for a thirty-day period following notice to the Owner.

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ARTICLE V

MISCELLANEOUS PROVISIONS

5.1 Execution in Counterparts. This Administration Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

5.2 Business Days. If any action is required to be taken hereunder on a date which falls on other than a Business Day, such action shall be taken on the next succeeding Business Day.

5.3 Governing Law. This Administration Agreement shall be construed in accordance with the laws of the State of California and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

5.4 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed to the appropriate Notice Address set forth in the Regulatory Agreement. The Notice Address of the Administrator is:

Urban Futures, Inc.  
Crestview Corporate Center  
3111 Tustin Avenue, Suite 230  
Orange, California 92665  
Attention: Marshall Linn

The Notice Address of the Owner is:

High Valley Apartments  
c/o Alpha Property Management  
1755 E. Martin Luther King Jr. Boulevard  
Los Angeles, California 90058  
Attention: Dean Foley

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IN WITNESS WHEREOF, the parties hereto have caused this Administration Agreement to be executed on their behalf by their duly authorized representatives, all as of the date hereinabove written.

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LANCASTER REDEVELOPMENT  
AGENCY

By: James C. Gilley  
James C. Gilley  
Executive Director

URBAN FUTURES, INC., as Administrator

By: \_\_\_\_\_  
Marshall Linn, President

HIGH VALLEY APARTMENTS, a  
California limited partnership

By: Edward A. O'Connell  
General Partner

05 1557299

IN WITNESS WHEREOF, the parties hereto have caused this Administration Agreement to be executed on their behalf by their duly authorized representatives, all as of the date hereinabove written.

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LANCASTER REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
James C. Gilley  
Executive Director

URBAN FUTURES, INC., as Administrator

By: Marshall Linn  
Marshall Linn, President

HIGH VALLEY APARTMENTS, a  
California limited partnership

By: \_\_\_\_\_  
General Partner

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10/27/2020
JC



**CITY COUNCIL/SUCCESSOR AGENCY/  
FINANCING/ POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
MINUTES  
Tuesday, October 13, 2020**

**CALL TO ORDER**

Mayor Parris called the meeting of the Lancaster City Council/Successor Agency/Financing/ Power/California Choice Energy Authority to order at 5:07 p.m.

**ROLL CALL**

PRESENT: City Council Members / Agency Directors / Authority Members: Dorris, Malhi, Mann, Vice Mayor/Vice Chair Crist, Mayor/Chair Parris

**STAFF MEMBERS:**

City Manager/Executive Director; Assistant City Manager/Assistant Executive Director/ City Attorney/Agency/Authority Counsel; City Clerk/ Agency/Authority Secretary; Assistant City Clerk; Assistant to the City Manager, Administrative and Community Services Director; Parks, Recreation and Arts Director; Development Services Director; Finance Director; Chief of Police/Public Safety Director

**M 1. MINUTES**

On a motion by Vice Mayor Crist and seconded by Council Member Mann, the City Council approved the City Council/Successor Agency/Financing/Power/California Choice Energy Authority Regular Meeting Minutes of September 22, 2020, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

**CCEA CC 1. CALIFORNIA CHOICE ENERGY AUTHORITY ENTERING INTO A LONG-TERM RESOURCE ADEQUACY AGREEMENT WITH CALPINE ENERGY SERVICES, L.P. ON BEHALF OF LANCASTER CHOICE ENERGY**

On a motion by Vice Chairman Crist and seconded by Council Member Malhi, the City Council approved California Choice Energy authority entering into a long-term resource adequacy agreement with Calpine Energy Services, L.P on behalf of Lancaster Choice Energy by the following vote: 5-0-0-0; Ayes: Dorris, Malhi, Mann, Crist, Parris; Noes: None; Abstain: None; Absent: None.

**CCEA CC 2. CALIFORNIA CHOICE ENERGY AUTHORITY ENTERING INTO A LONG-TERM RESOURCE ADEQUACY AGREEMENTS WITH CALPINE ENERGY SERVICES, L.P. ON BEHALF OF APPLE VALLEY CHOICE ENERGY, BALDWIN PARK RESIDENT OWNED UTILITY DISTRICT, LANCASTER CHOICE ENERGY, PICO RIVERA INNOVATIVE MUNICIPAL ENERGY, POMONA CHOICE ENERGY, RANCHO MIRAGE ENERGY AUTHORITY, AND SAN JACINTO POWER**

On a motion by Vice Chairman Crist and seconded by Authority Member Malhi, the Authority Board approved California Choice Energy Authority entering into a long-term resource adequacy agreements with Calpine Energy Services, L.P. on behalf of Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, Lancaster Choice Energy, Pico Rivera Innovative Municipal Energy, Pamona Choice Energy, Rancho Mirage Energy Authority and San Jancinto Power, by the following vote: 5-0-0-0; Ayes: Dorris, Malhi, Mann, Crist, Parris; Noes: None; Abstain: None; Absent: None.

**CCEA CC 3. CALIFORNIA CHOICE ENERGY AUTHORITY ENTERING INTO A MASTER AGREEMENT WITH SOUTHERN CALIFORNIA EDISON**

On a motion by Vice Chairman Crist and seconded by Authority Member Malhi, the Authority Board approved California Choice Energy Authority entering into a master agreement with Southern California Edison, by the following vote: 5-0-0-0; Ayes: Dorris, Malhi, Mann, Crist, Parris; Noes: None; Abstain: None; Absent: None.

**CITY COUNCIL CONSENT CALENDAR**

On a motion by Vice Mayor Crist and seconded by Council Member Malhi, the City Council approved the Consent Calendar with the exception of Item No. CC 5, by the following vote: 5-0-0-0; Ayes: Dorris, Malhi, Mann, Crist, Parris; Noes: None; Abstain: None; Absent: None.

**CC 1. ORDINANCE WAIVER**

Waived further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

**CC 2. CHECK REGISTERS**

Approved the Check Registers for September 6, 2020 through September 26, 2020 in the amount of \$6,317,666.80. Approved the Check Registers as presented.

**CC 3. OFFICE OF TRAFFIC SAFETY PEDESTRIAN AND BICYCLE SAFETY PROGRAM GRANT**

Approved the appropriation of \$65,000 in grant funds from the Office of Traffic Safety (OTS), Pedestrian and Bicycle Safety Program Grant.

**CC 4. CONSIDERATION AND ACTION ON THE JULY 31, 2020, LOS ANGELES COUNTY CIVIL GRAND JURY REPORT ENTITLED “A DIET FOR LANDFILLS: CUTTING DOWN ON FOOD WASTE”, AUTHORIZING A RESPONSE TO THE GRAND JURY REPORT**

Adopted **Resolution 20-52**, approving and authorizing the Mayor to sign and deliver the attached response to the July 31, 2020 Los Angeles County Civil Grand Jury Report Entitled “A DIET FOR LANDFILLS: Cutting Down on Food Waste.”

**CC 6. CA MUNICIPAL COMPLIANCE CONSULTANTS AGREEMENT**

Approved the agreement between the City of Lancaster and CA Municipal Compliance Consultants (CMCC) for quality of life enforcement services. Authorized the City Manager to sign all agreements and annual extensions.

**CC 5. MEDICAL MAIN STREET – PHASE II**

Mayor Parris and Council Member Mann recused themselves from this item.

Mayor Parris and Council Member Mann left the meeting at this time.

On a motion by Council Member Dorris and seconded by City Council Member Malhi, approved Consent Calendar Item No. CC 5 as comprised, by the following vote: 3-0-2-0; Ayes: Dorris, Malhi, Crist; Noes: None; Abstain: Mann, Parris; Absent: None.

1. Approved a Professional Services Agreement with KHJR Real Estate Advisors in an amount not to exceed \$1,235,000 for Phase II planning for Medical Main Street, including a Master Economic Development Plan, District Master Plan, and Pro Forma for Major Building Concept Designs.
2. Approved a Loan Agreement with Antelope Valley Hospital in the amount of \$626,781 for their proportional share of the agreement's costs.
3. Approved a Promissory Note in the amount of \$318,365 for APN 3123-004-024, owned by Palmdale Grand Plaza LLC, for their proportional share of the agreement's costs.
4. Appropriated \$1,235,000 from General Fund account 101-2900-000, Fund Balance to account 101-4240-301, Professional Services.
5. Authorized the City Manager or his designee to finalize and execute all related documents.

Mayor Parris and Council Member Mann returned to the meeting at this time.

**PH 1. APPEAL OF THE PLANNING COMMISSION'S DENIAL OF CONDITIONAL USE PERMIT NO. 18-17 TO ALLOW FOR THE CONSTRUCTION AND OPERATION OF A GAS CANOPY ISLAND, CAR WASH FACILITY AND MINI-MART ALLOWING THE SALE OF BEER AND WINE FOR OFF-SITE CONSUMPTION (TYPE 20 CALIFORNIA STATE ALCOHOLIC BEVERAGE CONTROL [ABC] LICENSE) WITH A WAIVER FROM THE DISTANCE REQUIREMENTS AT THE NORTHEAST CORNER OF 20TH STREET WEST AND AVENUE K (APNS 3129-019-031, -032; 3129-020-036)**

Mayor Parris opened the Public Hearing.

The Planning Director presented the staff report on this item.

Alicia Bartley, Attorney for applicant presented.

George Passantino discussed the outcome of a survey given to Lancaster residents; concerns raised regarding single beer purchase and consumption; foot paths across property that can be prevented by barrier walls to be installed if approved; ability of applicant to work with the City.

Discussion Among the Council included:

Mayor Parris discussed upcoming announcement of relationship with Japan regarding Hydrogen technology and desire for applicant to incorporate hydrogen technology into its plan.

Vice Mayor Crist discussed the area being over-saturated with alcohol establishments.

Council Member Dorris noted that he was unfamiliar with the project and the applicant and stated his desire to get a better understanding before making a decision.

Council Member Mann discussed being in agreement with the Staff Report, concern regarding deviations from the established distance restrictions, and needing a better holistic approach.

Council Member Malhi discussed being in agreement with the Staff Report.

Council Member Mann suggested sending the item back to the Planning Commission to make changes and stated his biggest concern is that making an exception for one company may result in the need to do the same for others.

Addressing the Council at this time:

Kevin Sealy-complimented applicant's efforts; firmly supports Planning Commission's decision; concerns with noise for nearby residential community; need for additional security cameras; paving roads in townhome area.

Marebel- discussed working in substance abuse and concerns with considering alcohol license; limiting amount of space for alcohol itself; limiting hours for sales of alcohol.

Randy Terrell- discussed vacant lot being disgusting; issues with gas station on opposite corner; amount of trash in vacant lot; encouraged City Council to work with the developer.

On a motion by Vice Mayor Crist and seconded by Council Member Dorris the City Council **ADOPTED Resolution No. 20-51**, upholding the Planning Commission's decision denying the Alcoholic Beverage Control (ABC) Type 20 License for the off-sale of beer and wine with a waiver from the distance requirements associated with the proposed development by the following vote: 4-1-0-0; Ayes: Dorris, Malhi, Mann, Crist; Noes: Parris; Abstain: None; Absent: None.

Vice Mayor Crist discussed sending Resolution 20-50 back to Planning Commission in regards to Planning Commission denying construction and operation of a gas canopy island, car wash facility and a mini-mart in the Commercial Planned Development zone at the northeast corner of 20th Street West and Avenue K and adopting a Mitigated Negative Declaration.

Mayor Parris opposed to sending Resolution 20-50 back to Planning Commission for further consideration.

Alicia Bartley, Attorney for applicant, discussed the applicant's ability to work with staff, noting that without alcohol, the project would be at a competitive disadvantage and would fail.

George Passantino- discussed applicant's eagerness to work with the City; vote to uphold denial of Liquor License puts the applicant at a disadvantage.

Vice Mayor Crist discussed the protocol for reconsideration of the prior motion upholding denial of liquor license; ability to conform design; too many variables on project.

City Attorney announced need to take action on adoption or continuance of Resolution No. 20-50 and applicable procedure.

On a motion by Council Member Mann and seconded by Council Member Dorris, the City Council CONTINUED the public hearing and consideration of adoption of Resolution 20-50, denying the Planning Commission's decision by approving the appeal for Conditional Use Permit No. 18-17 to allow for the construction and operation of a gas canopy island, car wash facility and a mini-mart in the Commercial Planned Development (CPD) zone at the northeast corner of 20th Street West and Avenue K (APNs 3129- 019-031, -032; 3129-020-036) and adopting a Mitigated Negative Declaration by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

## **PH 2. INTRODUCTION OF ORDINANCE TO ESTABLISH SPEED LIMITS ON 32 ROADWAY SEGMENTS AND AMEND SECTION 10.04.020 OF THE LANCASTER MUNICIPAL CODE**

Mayor Parris opened the Public Hearing.

Trolis Niebla, Building Official, presented the staff report on this item.

Assistant City Clerk announced the procedure for public comment.

No speakers at this time.

Mayor Parris closed the Public Hearing.

On a motion by Vice Mayor Crist and seconded by Council Member Mann, the City Council approved introduction of Ordinance 1076 to Establish Speed Limits on 32 Roadway Segments and Amend Section 10.04.20 of the Lancaster Municipal Code, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

## **CA1. CONSIDER NOMINATION AND APPOINTMENT OF GIOVANNI POPE AS COMMISSIONER TO THE SOCIAL EQUITY COMMISSION.**

Assistant City Clerk announced the procedure for public comment.

No speakers at this time.

On a motion by Mayor Parris and seconded by Council Member Mann, the City Council approved nomination and appointment of Giovanni Pope as commissioner to the Social Equity Commission, by the following vote:

5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

**CA2. CONSIDER NOMINATION AND APPOINTMENT OF CHRISTOPHER DELOACH AS COMMISSIONER TO THE SOCIAL EQUITY COMMISSION.**

Assistant City Clerk announced the procedure for public comment.

No speakers at this time.

On a motion by Mayor Parris and seconded by Council Member Malhi, the City Council approved nomination and appointment of Christopher DeLoach as commissioner to the Social Equity Commission, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

**CR 1. REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR DISTRICT NO. 14 OF THE COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY**

Vice Mayor Crist reported on the activities of the Board of Directors for District No. 14 of the County Sanitation Districts of Los Angeles County, which activities included working to refinance bonds and food giveaway.

**CR 2. COUNCIL REPORTS**

No Council Reports at this time.

**CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

City Manager discussed close of Operation Jumpstart which generated 3,500 sales; small business resources are still available; playgrounds have officially re-opened; report on Blvd Farmer's Market; congratulations to new Assistant City Manager, Trolis Niebla.

Deputy Mayor Dr. Troung gave a presentation on COVID-19 numbers and Safe Halloween recommendations.

Deputy Mayor Tiffany Tanner discussed the upcoming free flu shot clinic happening Friday, October 16, 2020.

Deputy Mayor Heather Varden discussed outreach in homeless encampments and referrals to Kensington campus.

City Council discussed issues with concerns around potential ballot harvesting and directed the City Manager to follow up.

#### **CITY CLERK/AGENCY/AUTHORITY SECRETARY ANNOUNCEMENT**

The Assistant City Clerk provided the public with the procedure to address the City Council/Successor Agency/Authority regarding non-agendized items.

#### **PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS**

Addressing the Council at this time:

David Abber-discussed concerns and issues with Kensington Campus.

Fran Sereseres discussed advantages of voting for Measure LC.

#### **ADJOURNMENT**

Mayor Parris adjourned the meeting at 7:00 p.m. and stated the next City Council/Successor Agency/Financing/Power/California Choice Energy Authority meeting will be held on Tuesday, October 27, 2020 at 5:00 p.m.

PASSED, APPROVED and ADOPTED this 27<sup>th</sup> day of October by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
CITY CLERK  
STATE OF CALIFORNIA            }  
COUNTY OF LOS ANGELES       }ss  
CITY OF LANCASTER               }

\_\_\_\_\_  
R. REX PARRIS  
MAYOR/CHAIRMAN

CERTIFICATION OF MINUTES  
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/HOUSING/POWER/CALIFORNIA  
CHOICE ENERGY AUTHORITY

I, \_\_\_\_\_, \_\_\_\_\_ of the City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original City Council/Successor Agency/Financing/Housing/Power/California Choice Energy Authority Minutes, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**STAFF REPORT**  
**California Choice Energy Authority**

CCEA CC 1
10/27/20
JC

Date: October 27, 2020

To: Chairman Parris and Authority Members

From: Jason Caudle, Executive Director

Subject: **Award Professional Services Agreements for Financial Support Services to Maher Accountancy**

---

**Recommendation:**

Award a Professional Services Agreement (“Agreement”) with Maher Accountancy (Maher), in the amount of \$30,000 annually per member, currently \$210,000, for financial and accounting support services; and authorize the Executive Director, or his designee, to sign all documents. Further authorize the Executive Director to execute amendments to the Agreement to add additional CalChoice Members as they become operational.

**Fiscal Impact:**

There is no fiscal impact to California Choice Energy Authority (CalChoice). The services will be paid for by revenue collected by each member city.

**Background:**

CalChoice provides implementation and operational support services to cities that wish to participate in community choice aggregation (CCA). CalChoice currently has ten associate members, seven of which are operating successful CCA programs. The seven CalChoice member cities with operational CCAs are the Town of Apple Valley, and the cities of Baldwin Park, Lancaster, Pico Rivera, Pomona, Rancho Mirage, and San Jacinto. The cities of Santa Barbara and Palmdale are scheduled to launch their CCAs programs in 2021 and 2022 respectively.

CalChoice contracts for energy and energy products, legal services, and technical and operational support services for its member agencies in order to keep costs low and maximize revenues for each associate member. By joining together, CalChoice is able to cut costs for each member agency through the benefits of economy of scale. As more cities join CalChoice, each city’s share of costs goes down.

Maher Accountancy provides financial reporting and accounting services to each of CalChoice’s member cities. These services include monthly and quarterly reconciliations and reporting, utility users tax reporting, monthly reconciliation of customer usage and revenues, and net energy metering accounts accruals and reconciliation.

**Attachment:**

# Professional Services Agreement

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES ("Agreement") is made and entered into this \_\_\_ day of ~~April~~, 2019, by and between the CALIFORNIA CHOICE ENERGY AUTHORITY, a joint powers authority, ("CalChoice"), and MAHER ACCOUNTANCY ("Consultant") (collectively, sometimes referred to hereinafter as the "Parties").

RECITALS

WHEREAS, CalChoice desires to engage Consultant to perform certain technical and professional services, as provided herein, identified as:

**California Choice Energy Authority Partner City Technical Support Services (the "Services")**

**City of Pomona**

WHEREAS, the principal members of Consultant are qualified and duly registered/licensed under the laws of the State of California, and Consultant desires to accept such engagement;

WHEREAS, CalChoice and Consultant have entered into certain agreements dated between October 13, 2017 and the date hereof (the "Original Agreements"), which Original Agreements the Parties desire to supersede in their entirety by this Agreement;

WHEREAS, certain public agencies listed on Exhibit B attached hereto are members of CalChoice (individually, each a "Member" and, collectively, the "Members"), which Members are express third party beneficiaries of this Agreement; and

WHEREAS, CalChoice and Consultant desire to set forth the terms and conditions of this Agreement ~~in~~by which Consultant shall provide Services as set forth in Exhibit A hereto to CalChoice for the benefit of the Members and Consultant shall be paid for the Services in accordance with the terms and conditions herein.

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. ~~OWNER~~CalChoice: California Choice Energy Authority
- B. CONSULTANT: ~~Pacific Energy Advisors, Inc.~~ MaHer Accountancy

2. **Notices.** All written notices required by or related to this Agreement shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the

other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

**OWNER**CalChoice: California Choice Energy Authority  
Attn: Jason Caudle, Executive Director  
44933 North Fern Avenue  
Lancaster, California 93534

CONSULTANT: [Michael J. Maher, CPA](#)  
[Maher Accountancy](#)  
[1101 Fifth Avenue, Suite 200](#)  
[San Rafael, CA 94901](#)

[John P. Dalessi, President](#)  
[Pacific Energy Advisors, Inc.](#)  
[1839 Iron Point Road, Suite 120](#)  
[Folsom, CA 95630](#)

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.** CalChoice hereby engages Consultant, and Consultant accepts such engagement, to perform the professional services set forth in the “Scope of Services,” attached hereto as Exhibit “A” and incorporated herein by reference. Consultant shall perform and complete, in a manner satisfactory to CalChoice, all work and services set forth in Exhibit “A.” The Executive Director or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Executive Director, or his designee.

5. **Obligations of CalChoice.**

A. CalChoice shall pay Consultant an amount not to exceed \$ ~~630,000~~ [per Member as listed in Exhibit B](#) for all work necessary to complete the Services, as described in the Scope of Services. [CalChoice shall be invoiced at \\$2,500 per month per Member.](#) Payments shall be due within thirty (30) days following Consultant’s submittal of an invoice [to CalChoice, detailing the services performed.](#) ~~CalChoice shall reimburse Consultant for travel expenses, in amounts not to exceed those detailed in the Scope of Services for each phase of the Services.~~ In the event the Parties mutually agree in writing that additional work is required beyond the not-to-exceed fee set forth above, Consultant shall submit invoices detailing the additional task(s) performed and the time spent on each task.

B. No payment made hereunder by CalChoice to Consultant, other than the final payment, shall be construed as an acceptance by CalChoice of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

6. **Obligations of the Consultant.**

A. Consultant shall perform as required by this Agreement and in accordance with the Scope of Services set forth in Exhibit A.

~~B. Consultant shall not commence any new phase as set forth in Exhibit A without a prior written notice to proceed from CalChoice.~~

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

D. Consultant shall not subcontract any of the work required to perform the Services without the express prior written approval of CalChoice.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless CalChoice, its officers and employees, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney's fees, incurred to the extent arising out of or related to Consultant's negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend CalChoice, its officers and employees, using counsel of CalChoice's choosing, from and against any and all claims covered by the indemnity in the preceding sentence.

CalChoice agrees to indemnify and hold harmless Consultant, its employees and agents, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney's fees, incurred to the extent arising out of or related to CalChoice's negligent or willful wrongful acts, errors or omissions, or those of its officers or employees in relation to this Agreement. CalChoice agrees to defend Consultant, its employees and agents, using counsel of Consultant's choosing, from and against any and all claims covered by the indemnity in the preceding sentence; provided, however, that this indemnification and hold harmless shall not include any claims to the extent they arise from the negligence or willful misconduct of the Consultant, its employees or agents.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by CalChoice and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, gender, national origin, sexual orientation, physical or mental disability 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.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. CalChoice shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Term; Effective Date.** This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by CalChoice and the Consultant. This Agreement shall continue in full force and effect for twelve (12) months, plus two (2) automatic one-year extensions, from the Effective Date of the Agreement (the “Term”), unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that CalChoice and the Consultant may mutually agree in writing to extend the Term of this Agreement.

11. **Termination.**

A. For Convenience. CalChoice may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, whether for convenience or cause, Consultant will be paid for work completed through the date of termination within thirty (30) days following submittal of a final invoice.

B. For Cause. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, Consultant shall correct such failure within ten (10) days (or such longer period that CalChoice may authorize in writing) after receipt of notice from the City specifying such failure. Should the failure not be corrected within this time period, CalChoice may immediately terminate the Agreement by written notice to Consultant.

C. In the event of termination, whether for convenience or cause, reports, plans, studies and other documents related to the Services that have been delivered to CalChoice shall become CalChoice’s property.

12. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of CalChoice. It is expressly understood between the Parties to this Agreement that no employee/employer relationship is intended; Consultant is an independent contractor.

13. **Insurance.**

A. (1) The Consultant, at its expense, shall maintain in effect at all times during the performance of work under this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed “A-, VIII” or better in the Best’s Key Rating Guide:

**Commercial General Liability**

Each Occurrence	\$1,000,000
General Aggregate Including Products/Completed Operations Including Contractual Liability/Independent Contractors Including Property Damage	\$2,000,000
<b>Commercial Automobile Liability</b>	
Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
<b>Workers Compensation</b>	
As Required by the State of California	Statutory Limits
<b>Employer's Liability</b>	
Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
<b>Professional Liability</b>	
Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000

B. General Liability insurance shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations. Commercial Auto coverage shall be at least as broad as ISO form CA00 01.

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

D. A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation/Employers Liability policies and a copy of the endorsement must accompany the certificate.

E. Any deductibles or self-insurance retentions must be declared and approved by CalChoice. At CalChoice's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CalChoice and its officers, employees and representatives (collectively, for purposes of this Section, "CalChoice"), or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

F. All insurance shall be primary and non-contributory as respects CalChoice. Any insurance or self-insurance maintained by CalChoice shall be in excess of the Consultant's insurance and shall not contribute with it.

G. The coverage provided under this Agreement shall not contain any special limitations on the scope of protection afforded to CalChoice.

H. Insurance provided and maintained by Consultant must be placed with insurers with a rating of A-, VIII or better by Best's Key Rating Guide, latest edition.

I. Insurance written on a "claims made" basis must be renewed for a period of five (5) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by CalChoice arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

J. Consultant shall furnish CalChoice with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by CalChoice before work commences. CalChoice reserves the right to require complete, certified copies of all required insurance policies at any time.

K. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CalChoice.

L. Certificates of Insurance must be deposited with CalChoice for all coverage required by this contract. Certificates shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days written notice for non-payment) to CalChoice.

(2) List in the "Descriptions of Operations/Locations/Vehicles/Special Items" section:

**"California Choice Energy Authority Partner City Support"**  
FOR PROFESSIONAL CONSULTANT SERVICES

California Choice Energy Authority, its board of directors, officers, employees, contractors and representatives are included as additional covered parties, but only insofar as the operations under this contract are concerned.

(3) List in the "Certificate Holder" section:

California Choice Energy Authority, 44933 Fern Avenue, Lancaster, California 93534.

M. Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

N. The coverage shall contain no special limitations on the scope of protection afforded to the insured entities. The Consultant's insurance coverage shall be primary insurance as respects CalChoice.

14. **Ownership of Documents.** All plans, specifications, reports, studies, maps and other documents prepared or obtained by Consultant in the course of performing the work and are required by this Agreement to be delivered to CalChoice shall be the property of CalChoice. Basic sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to CalChoice without restriction or limitation on their use. Notwithstanding the foregoing, CalChoice shall not obtain or retain any rights in or ownership to any of Consultant's systems, documents, and/or intellectual property developed, produced, discover, or created by Consultant before the execution of the Agreement or in connection with service performed outside of this Agreement.

15. **Data Provided to Consultant.** CalChoice shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in CalChoice's possession which may facilitate the timely performance of the work described in Exhibit A.

16. **Consultant's Warranties and Representations.**

Consultant warrants and represents to CalChoice as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, CalChoice shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of CalChoice has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to CalChoice, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

18. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys' fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

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

19. **Exhibits.**

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety as though set forth in full:

Exhibit "A"      Scope of Services

Exhibit "B"      List of Members

20. **Governing Law/Venue.**

This Agreement shall be governed by the laws of the State of California; venue shall be in the Superior Court of Los Angeles County.

21. **Effective Date.**

This Agreement shall become effective as of the date set forth below on which the last of the parties, whether CalChoice or Consultant, executes said Agreement.

22. **Entire Agreement.**

This agreement represents the entire and integrated agreement between CalChoice and Consultant and supersedes all prior negotiations, representations or agreements, either written or oral,

including, but not limited to, the Original Agreements. This agreement may be modified or amended only by a subsequent written agreement signed by both parties.

23. No Waiver.

No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

ACCOUNTANCY

PACIFIC ENERGY ADVISORS, INC. MAHER

By: \_\_\_\_\_  
John P. Dalessi, President Michael J. Maher, CPA

Dated: \_\_\_\_\_

CALIFORNIA CHOICE ENERGY AUTHORITY

By: \_\_\_\_\_  
Jason Caudle, Executive Director  
By: Barbara Boswell, Treasurer

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Britt Avrit, MMC Andrea Alexander, City Clerk/Authority Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney/Authority Counsel

## **EXHIBIT A SCOPE OF SERVICES**

### PHASE 2: IMPLEMENTATION SUPPORT

PEA will provide consulting and technical services to CalChoice in support of the CCA program. The proposed services cover a variety of remaining technical activities leading up to the successful launch of this program. The proposed scope of services is described below.

#### **Pro Forma and Technical Study Updates**

PEA will update CCA's operating pro forma with updated rate projections, power supply costs, and all other CCA working assumptions. Additionally, PEA will update the already completed technical study to reflect current pro forma outputs, 2020 rate assumptions, and all other changes that have occurred since the technical study was originally delivered. This also includes PEA's in-person participation at CCA to present the updated pro forma and technical study results.

#### **Supplier Selection and Contracting**

##### *Background*

Prior to serving customers, CCA will need to secure requisite energy products and services, including shaped energy (i.e., a quantity of energy delivered by the supplier(s) according to an agreed upon schedule), resource adequacy capacity (i.e., reserve capacity required to meet mandatory compliance obligations for CCAs and other load serving entities), renewable energy, carbon-free energy (if applicable), scheduling coordinator services (which will be required to facilitate participation in California's wholesale energy market) and data management services (which will be required to facilitate customer service support, billing, data management and reporting among other important functions). For CalChoice members, such energy products and services will be procured through a competitive solicitation processes utilizing qualified suppliers, which have agreed to previously negotiated terms and conditions for such transactions. PEA has direct experience in assisting numerous CCA program with power procurement processes.

##### *Tasks*

PEA shall develop and complete the following key tasks in collaboration with CalChoice and CCA staff related to supplier selection and related contracting:

- Complete requisite data analysis for CCA, as necessary to determine the customer energy quantities of CCA;
- Determine desired energy and capacity quantities, which would supply aggregate customer requirements, including anticipated participation in default and voluntary retail service options;
- Prepare necessary exhibits specifying energy and capacity product quantities to facilitate supplier bidding and related evaluations;
- Evaluate offers received in response to the aforementioned solicitation processes and assist CCA in selecting the preferred supplier(s) of such products and services;
- Support “go/no go” decision to launch the CCA program based on final power supply prices and then current SCE retail electric rates; and
- Perform necessary coordinative activities with the CCA’s selected supplier(s) during startup.

## Regulatory Registrations and Compliance Systems

### *Background*

As a Load Serving Entity (“LSE”) within the state of California, CCA will be required to comply with a variety of regulations, including participation in certain reporting programs administered by the CPUC and California Energy Commission (“CEC”). While certain of these reporting programs will not be applicable until the second year of operation, other programs will require attention prior to service commencement or shortly thereafter. In particular, the annual electric load forecast (as it relates to future reserve capacity, also known as “resource adequacy,” compliance obligations), WREGIS account registration, preparation of joint cost comparisons (a customer communication requirement created by SB 790) and preliminary power source disclosures will all require pre-launch completion.

### *Tasks*

To ensure compliance with these requirements, PEA shall complete the following activities:

- ~~Assist in identifying requisite resource adequacy capacity quantities that will need to be procured by CCA for purposes of demonstrating regulatory compliance;~~
- ~~Assist in procuring requisite resource adequacy capacity from qualified suppliers;~~
- ~~Prepare load forecast and related filings to ensure compliance with California's resource adequacy program;~~
- ~~Assist CCA in completing requisite registration materials to become a WREGIS account holder—a WREGIS account will be necessary to track and report on renewable energy purchases for purposes of complying with California's Renewables Portfolio Standard program and substantiating procurement of renewable energy, generally speaking;~~
- ~~Assist CCA in becoming a candidate Congestion Revenue Rights ("CRR") holder with the California Independent System Operator ("CAISO")—CRRs may help mitigate certain financial risks and reduce costs associated with energy delivery within the CAISO market;~~
- ~~Assist CCA in ancillary CAISO setup activities, as required of California CCA programs;~~
- ~~Assist in preparing requisite customer cost comparisons, as necessary;~~
- ~~Assist CCA in preparing the statutorily required Joint Rate Comparison ("JRC") in cooperation with SCE—the JRC provides CCA customers with comparative rate and power content details regarding available electric service options;~~
- ~~Assist in completing CCA's Renewables Portfolio Standard ("RPS") Procurement Plan, as required by the California Public Utilities Commission; and~~
- ~~Assist in completing CCA's initial annual RPS compliance report, if necessary.~~

## Rate Setting

### *Background*

Establishing initial customer rates will be a key task during the pre-startup phase. Such rates will be established in consideration of SCE's then effective rates schedules under which prospective customers currently receive electric service. PEA has considerable experience in CCA rate setting activities, having supported all of California's operating CCA programs in this important endeavor. Effective rate setting will ensure that the CCA program is financially sustainable and able to fulfill its financial obligations while remaining competitive with the incumbent utility.

### *Tasks*

PEA shall develop and complete the following work items:

- Develop preliminary and final revenue requirements for the first year of program operation;
- Prepare preliminary and final rate schedules for the first year of program operation;
- Prepare a draft NEM tariff, including applicable tariff language and sample customer impact analyses; and
- Prepare CCA/SCE cost comparisons to ensure an understanding of anticipated customer cost impacts.

## General Implementation Support

### *Background*

During the startup phase, there may be a need for technical support with regard to a variety of implementation activities. PEA has provided such support on an as-needed basis to California's other CCA programs, ensuring that sufficient expertise is available to address a broad range of potential needs.

### *Tasks*

PEA's general support may include, but is not limited to the following:

- Coordination with staff, suppliers and other contractors to ensure effective program launch;
- Prepare for and participate in up to two (2) on-site meetings with CalChoice and CCA leadership and/or staff, providing technical support during key discussions and decision making leading up to CCA launch; PEA would be available to assist staff in preparing meeting materials and presenting such materials, as necessary;
- Coordination with pertinent jurisdictional regulatory agencies: to the extent that jurisdictional regulatory agencies have questions regarding applicable reports/submittals and/or general questions regarding CCA operations, PEA would be available to address such inquiries and/or participate in related meetings or teleconferences;
- Coordination with key customers: PEA would be available to participate in discussions/meetings with key customer accounts, providing technical expertise related to rates, resource planning, power supply and anticipated environmental impacts; and
- General as-needed advisory services.

Fee for Performance of Phase 2 Services: \$60,000 (To be billed at \$6,000 per month for ten (10) months, to begin April 2019.)

The work to be performed under this contract shall include for each Member identified in Exhibit B:

MONTHLY:

- Revenue posting allocated to three customer groups: Commercial, Residential, Agr/SL/Other
  - Generation and related revenue
  - 100% renewable option premium
  - Demand Charges
- Post charges and credits for aggregate monthly Net Energy Metering activity
- Accrue estimated unbilled revenue allocated to three customer groups  
Maintain general ledger balance from New Energy Metering liability,
- including changes for charges through Calpine and actual cash out payment made by Member
- Reconcile actual customer collections received by the bank to reported amounts by data manager each month
- Maintain balance for Electric Energy Surcharge
- Maintain balance for Utility Users Tax (if applicable)
- Prepare monthly report for Utility Users Tax remittance (if applicable)

QUARTERLY

- Prepare quarterly report for the Electric Energy Surcharge tax due to Board of Equalization

CalChoice to provide:

- Access to Calpine database (as set up for other CCAs that engage Maher)
- Monthly bank statements/transaction list for lockbox account
- Updated Pro Forma file (as prepared by Pacific Energy Advisors or their successors)

EXHIBIT B  
LIST OF MEMBERS

- City of Lancaster
- Town of Apple Valley
- City of Pico Rivera
- City of San Jacinto
- City of Rancho Mirage
- City of Baldwin Park
- City of Pomona



**STAFF REPORT**  
**California Choice Energy Authority**

CCEA CC 2
10/27/20
JC

Date: October 27, 2020

To: Chairman Parris and Authority Members

From: Jason Caudle, Executive Director

Subject: **Award Professional Services Agreements for Technical Support Services to Pacific Energy Advisors, Inc.**

---

**Recommendation:**

- a. Award a Professional Services Agreement with Pacific Energy Advisors, Inc. (PEA), in the amount not to exceed \$202,000 annually for technical support services in support of the City of Baldwin Park; and authorize the Executive Director, or his designee, to sign all documents
- b. Award a Professional Services Agreement with PEA, in the amount not to exceed \$202,000 annually for technical support services in support of the City of Pomona; and authorize the Executive Director, or his designee, to sign all documents

**Fiscal Impact:**

There is no fiscal impact to California Choice Energy Authority (CalChoice). The services will be paid for by revenue collected by each member city.

**Background:**

On August 5, 2019 and October 21, 2019 respectively, CalChoice entered into Administrative Services Agreements with the cities of Baldwin Park and Pomona. Under the terms of these agreements, CalChoice provides on-going operational and administrative support services, including the procurement of electricity, technical support, and data management services on behalf of each city's CCA program.

On October 1<sup>st</sup>, the cities of Baldwin Park and Pomona launched their CCA programs and began serving customers in their cities. The cities of Baldwin Park and Pomona join the Town of Apple Valley, and the cities of Lancaster, Pico Rivera, Rancho Mirage, and San Jacinto as operational members of CalChoice.

PEA provides technical support services to CalChoice and its Associate Members. These services include rate setting, pro forma and financial modeling, power resources management, load forecasting and regulatory compliance filings.

**Attachment:**

Professional Services Agreement – Pacific Energy Advisors (Baldwin Park)  
Professional Services Agreement – Pacific Energy Advisors (Pomona)



AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES is made and entered into this 28th day of October, 2020, by and between the CALIFORNIA CHOICE ENERGY AUTHORITY, a joint powers authority, (“CalChoice”), and PACIFIC ENERGY ADVISORS, INC. (“Consultant”) (collectively, sometimes referred to hereinafter as the “Parties”).

RECITALS

WHEREAS, CalChoice desires to engage Consultant to perform certain technical and professional services, as provided herein, identified as:

**California Choice Energy Authority Partner City Technical Support Services (the “Services”):**

**City of Pomona**

WHEREAS, the principal members of Consultant are qualified and duly registered/licensed under the laws of the State of California, and Consultant desires to accept such engagement;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. OWNER: California Choice Energy Authority
- B. CONSULTANT: Pacific Energy Advisors, Inc.

2. **Notices.** All written notices required by or related to this Agreement shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

OWNER: California Choice Energy Authority  
Attn: Jason Caudle, Executive Director  
44933 North Fern Avenue  
Lancaster, California 93534

CONSULTANT: John P. Dalessi, President  
Pacific Energy Advisors, Inc.  
1839 Iron Point Road, Suite 120  
Folsom, CA 95630

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign

any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.** CalChoice hereby engages Consultant, and Consultant accepts such engagement, to perform the professional services set forth in the “Scope of Services,” attached hereto as Exhibit “A” and incorporated herein by reference. Consultant shall perform and complete, in a manner satisfactory to CalChoice, all work and services set forth in Exhibit “A.” The Executive Director or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Executive Director, or his designee.

5. **Obligations of CalChoice.**

A. CalChoice shall pay Consultant an amount not to exceed \$202,000 for all work necessary to complete the Services, as described in the Scope of Services. Payments shall be due within thirty (30) days following Consultant’s submittal of an invoice detailing the services performed. CalChoice shall reimburse Consultant for travel expenses, in amounts not to exceed those detailed in the Scope of Services for each phase of the Services. In the event the Parties mutually agree in writing that additional work is required beyond the not-to-exceed fee set forth above, Consultant shall submit invoices detailing the additional task(s) performed and the time spent on each task.

B. No payment made hereunder by CalChoice to Consultant, other than the final payment, shall be construed as an acceptance by CalChoice of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

6. **Obligations of the Consultant.**

A. Consultant shall perform as required by this Agreement and in accordance with the Scope of Services set forth in Exhibit A.

B. Consultant shall not commence any new phase as set forth in Exhibit A without a prior written notice to proceed from CalChoice.

C. Consultant shall be responsible for payment of all employees’ wages and benefits, and shall comply with all requirements pertaining to employer’s liability, workers’ compensation, unemployment insurance, and Social Security.

D. Consultant shall not subcontract any of the work required to perform the Services without the express prior written approval of CalChoice.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless CalChoice, its officers and employees, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney’s fees, incurred to the extent arising out of or related to Consultant’s negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend CalChoice, its officers and employees, using counsel of CalChoice’s choosing, from and against any and all claims covered by the indemnity in the preceding sentence.

CalChoice agrees to indemnify and hold harmless Consultant, its employees and agents, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney's fees, incurred to the extent arising out of or related to CalChoice's negligent or willful wrongful acts, errors or omissions, or those of its officers or employees in relation to this Agreement. CalChoice agrees to defend Consultant, its employees and agents, using counsel of Consultant's choosing, from and against any and all claims covered by the indemnity in the preceding sentence; provided, however, that this indemnification and hold harmless shall not include any claims to the extent they arise from the negligence or willful misconduct of the Consultant, its employees or agents.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by CalChoice and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, gender, national origin, sexual orientation, physical or mental disability 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.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. CalChoice shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Term; Effective Date.** This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by CalChoice and the Consultant. This Agreement shall continue in full force and effect for twelve (12) months, plus two (2) automatic one-year extensions, from the Effective Date of the Agreement (the "Term"), unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that CalChoice and the Consultant may mutually agree in writing to extend the Term of this Agreement.

11. **Termination.**

A. For Convenience. CalChoice may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, whether for convenience or cause, Consultant will be paid for work completed through the date of termination within thirty (30) days following submittal of a final invoice.

B. For Cause. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms,

Consultant shall correct such failure within ten (10) days (or such longer period that CalChoice may authorize in writing) after receipt of notice from the City specifying such failure. Should the failure not be corrected within this time period, CalChoice may immediately terminate the Agreement by written notice to Consultant.

C. In the event of termination, whether for convenience or cause, reports, plans, studies and other documents related to the Services that have been delivered to CalChoice shall become CalChoice’s property.

12. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of CalChoice. It is expressly understood between the Parties to this Agreement that no employee/employer relationship is intended; Consultant is an independent contractor.

13. **Insurance.**

A. (1) The Consultant, at its expense, shall maintain in effect at all times during the performance of work under this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed “A-, VIII” or better in the Best’s Key Rating Guide:

<b>Commercial General Liability</b>	
Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Including Products/Completed Operations	
Including Contractual Liability/Independent Contractors	
Including Property Damage	
 <b>Commercial Automobile Liability</b>	
Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
 <b>Workers Compensation</b>	
As Required by the State of California	Statutory Limits
 <b>Employer’s Liability</b>	
Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
 <b>Professional Liability</b>	
Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000

B. General Liability insurance shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations. Commercial Auto coverage shall be at least as broad as ISO form CA00 01.

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

D. A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation/Employers Liability policies and a copy of the endorsement must accompany the certificate.

E. Any deductibles or self-insurance retentions must be declared and approved by CalChoice. At CalChoice's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CalChoice and its officers, employees and representatives (collectively, for purposes of this Section, "CalChoice"), or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

F. All insurance shall be primary and non-contributory as respects CalChoice. Any insurance or self-insurance maintained by CalChoice shall be in excess of the Consultant's insurance and shall not contribute with it.

G. The coverage provided under this Agreement shall not contain any special limitations on the scope of protection afforded to CalChoice.

H. Insurance provided and maintained by Consultant must be placed with insurers with a rating of A-, VIII or better by Best's Key Rating Guide, latest edition.

I. Insurance written on a "claims made" basis must be renewed for a period of five (5) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by CalChoice arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

J. Consultant shall furnish CalChoice with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by CalChoice before work commences. CalChoice reserves the right to require complete, certified copies of all required insurance policies at any time.

K. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CalChoice.

L. Certificates of Insurance must be deposited with CalChoice for all coverage required by this contract. Certificates shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days written notice for non-payment) to CalChoice.

(2) List in the “Descriptions of Operations/Locations/Vehicles/Special Items” section:

**“California Choice Energy Authority Partner City Support”**

**FOR PROFESSIONAL CONSULTANT SERVICES**

California Choice Energy Authority, its board of directors, officers, employees, contractors and representatives are included as additional covered parties, but only insofar as the operations under this contract are concerned.

(3) List in the “Certificate Holder” section:

California Choice Energy Authority, 44933 Fern Avenue, Lancaster, California 93534.

M. Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

N. The coverage shall contain no special limitations on the scope of protection afforded to the insured entities. The Consultant’s insurance coverage shall be primary insurance as respects CalChoice.

14. **Ownership of Documents.** All plans, specifications, reports, studies, maps and other documents prepared or obtained by Consultant in the course of performing the work and are required by this Agreement to be delivered to CalChoice shall be the property of CalChoice. Basic sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to CalChoice without restriction or limitation on their use. Notwithstanding the foregoing, CalChoice shall not obtain or retain any rights in or ownership to any of Consultant’s systems, documents, and/or intellectual property developed, produced, discover, or created by Consultant before the execution of the Agreement or in connection with service performed outside of this Agreement.

15. **Data Provided to Consultant.** CalChoice shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in CalChoice’s possession which may facilitate the timely performance of the work described in Exhibit A.

16. **Consultant’s Warranties and Representations.**

Consultant warrants and represents to CalChoice as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, CalChoice shall have the right, in its sole discretion, to terminate this Agreement

without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of CalChoice has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to CalChoice, even if such interest would not be deemed a prohibited “conflict of interest” under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

18. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys’ fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

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

19. **Exhibits.**

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety:

Exhibit “A”            Scope of Services

20. **Governing Law.**

This Agreement shall be governed by the laws of the State of California.

21. **Effective Date.**

This Agreement shall become effective as of the date set forth below on which the last of the parties, whether CalChoice or Consultant, executes said Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

PACIFIC ENERGY ADVISORS, INC.

By: \_\_\_\_\_  
John P. Dalessi, President

Dated: \_\_\_\_\_

CALIFORNIA CHOICE ENERGY AUTHORITY

By: \_\_\_\_\_  
Jason Caudle, Executive Director  
By: Barbara Boswell, Treasurer

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Andrea Alexander, City Clerk/Acting Authority Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Allison E. Burns, City Attorney/Authority Counsel

## **EXHIBIT A SCOPE OF SERVICES**

### PHASE 3: ON-GOING ADMINISTRATIVE SUPPORT

PEA will provide consulting and technical services to CalChoice in support of the respective CCA programs of its Members. The proposed services cover the essential tasks related to managing the power supply and rate-setting functions for these programs. The proposed scope of services is described below.

#### **1) Power Resources Management**

Working with CalChoice leadership as well as its designated Scheduling Coordinator, PEA will manage the power resources portfolios of the Members in accordance with CalChoice's adopted policies and all applicable regulatory requirements. PEA will perform Middle Office functions for CalChoice encompassing the areas of resource planning, portfolio management, electric procurement, and the variety of regulatory compliance activities related to electric power supply. The following tasks are included within this service area:

##### *(a) Maintain Annual and Long-Term Sales Forecast:*

- Prepare and maintain CalChoice Member customer and electric sales forecasts, including forecasts of: 1) monthly enrolled accounts, megawatt hours ("MWh") and megawatts ("MW") by load profile group; and 2) monthly coincident peak MW and hourly MW for the CalChoice Member systems.
- Update long-term sales forecasts, as necessary, to maintain accuracy; monitor accuracy of load forecasts on a monthly basis; consider adjustments to such forecasts if observed variance exceeds threshold of 5% forecast error.

##### *(b) Electric Supply Management:*

- Maintain load and resource balance models to identify incremental electric procurement needs in consideration of quantified open positions, CalChoice resource and risk management policies, and applicable regulatory requirements; coordinate with management to develop and implement procurement strategies to address electric resource needs.
- Support procurement and/or sales of energy and capacity products including preparing requisite solicitation documents, participating in supplier/developer communications, providing analytical support during proposal/bid evaluation, negotiating commercial contract terms, and other related, as-needed activities.
- Annually, prepare and update internal resource plans, including ten-year load and resource projections, encompassing both supply and demand side resources.

- Review and validate periodic invoices received from CalChoice’s Scheduling Coordinator and electric suppliers to ensure charges are consistent with contract terms; bring any identified discrepancies to management’s attention; and support attempts to resolve issues with counterparties.
- Monitor energy market activities, including pricing trends and forward curves related to market energy, renewable energy and capacity.
- Maintain/manage relationships with qualified suppliers of requisite energy products: participate in periodic calls, email exchanges and other communications with and/or on behalf of CalChoice and its Members.

*(c) Regulatory Compliance:*

- Manage renewable energy portfolio per state/program standards; prepare Renewable Portfolio Standards (“RPS”) compliance filings and serve as CalChoice’s liaison with pertinent regulatory agencies for matters related to RPS compliance.
- Manage CalChoice Members’ Western Renewable Energy Generation Information System (“WREGIS”) accounts and various subaccounts, including report preparation, certificate transfer review and retirement (to facilitate mandatory and regulatory compliance), as-needed generator registration (example: Feed-In Tariff projects under contract with CalChoice) and other account management activities. Provide support during third-party audit processes, if applicable, including data gathering and analysis, reporting and liaison activities with CalChoice’s selected auditor and pertinent regulatory agencies.
- Manage Resource Adequacy portfolios per state/program standards; prepare year-ahead and month-ahead peak demand forecasts and resource adequacy compliance demonstration filings; coordinate with CalChoice’s Scheduling Coordinator and regulatory agencies to resolve any discrepancies that may arise during compliance review.
- Provide data analysis and assist in preparing reports related to the California’s Power Source Disclosure Program, including technical elements of Power Content Label development and review; such support may also entail regulatory liaison activities required to successfully complete applicable reports.
- Prepare compliance filings pursuant to the California Energy Commission’s biennial Integrated Energy Policy Report, Quarterly Fuels and Energy Report, and the U.S. Energy Information Agency monthly EIA-826 and annual EIA-861 reports.
- Prepare all required compliance documentation under this task and coordinate with CalChoice’s regulatory personnel or contractors, who will be responsible for formal submission of filings to the appropriate regulatory body.

## **2) Rate Setting, Financial Modeling & Performance Reporting**

PEA will maintain a working pro forma financial model for each CalChoice Member program for use in budgeting, cash flow planning, financial performance monitoring, and scenario analyses. PEA will design customer electric rates and update rates for approval by each of the Member's respective governing boards on an annual basis – such rates will be established at sufficient levels to meet adopted financial targets. PEA will provide technical rate support including monitoring SCE rate changes as they impact customer cost comparisons and also provide assistance with the preparation of joint cost comparison models. The following tasks are included within this service area:

*(a) Rate-setting*

- Annually, develop proposed CalChoice Member rate schedules; cost of service modeling; SCE benchmarking; billing determinant (e.g., TOU energy) forecast; present and proposed rate revenue forecast.
- Collaborate with staff, CalChoice, and CalChoice Member governing bodies, as necessary, in regards to rate changes, including necessary new rate designs or options.
- Support for development and administration of certain CCA customer programs, including Net Energy Metering, green energy, and Feed-In Tariffs, if desired by CalChoice or the Members.
- Monitor realized rate revenue vs. projections to identify necessary rate changes.
- Monitor SCE rates and surcharges and assist CalChoice with preparation of mandated joint cost comparisons reports.

*(b) Maintain Financial Model (pro forma)*

- Maintain pro forma financial models of monthly income/expense projections, cash flow and cash balances.
- Update pro forma models as necessary to incorporate current load, resource and market data; monitor accuracy of financial projections on monthly basis; assist in reconciling budget variances.
- Prepare forecast of power supply and other expenses for annual budget.
- Prepare draft annual budget for each CalChoice Member program in cooperation with CalChoice management and accountants.
- As necessary, coordinate with CalChoice, its Members, and its financial advisors with regard to matters that may impact CalChoice's financial standing, debt levels, electric rates, annual budget, resource planning and other key concerns.

*(c) Performance monitoring and reporting*

- Prepare monthly executive summary reports containing information on key program performance metrics related to enrolled customer accounts, customer opt-out rates, electricity sales volumes,

revenues, comparisons to forecasts/budgets, comparisons to previous periods, and highlighting noteworthy operational insights.

- Monitor net open positions and provide monthly reporting of net open positions pursuant to adopted CalChoice risk management policies.

Fee for Performance of Phase 3 Services: \$16,000.00 per month, with a not to exceed amount of \$192,000 over a (12) month period.

Consultant will be reimbursed for actual travel expenses incurred in the performance of the work for all travel explicitly requested by CalChoice, not to exceed \$10,000 annually.

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES is made and entered into this 28th day of October, 2020, by and between the CALIFORNIA CHOICE ENERGY AUTHORITY, a joint powers authority, (“CalChoice”), and PACIFIC ENERGY ADVISORS, INC. (“Consultant”) (collectively, sometimes referred to hereinafter as the “Parties”).

RECITALS

WHEREAS, CalChoice desires to engage Consultant to perform certain technical and professional services, as provided herein, identified as:

**California Choice Energy Authority Partner City Technical Support Services (the “Services”):**  
**City of Baldwin Park**

WHEREAS, the principal members of Consultant are qualified and duly registered/licensed under the laws of the State of California, and Consultant desires to accept such engagement;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. OWNER: California Choice Energy Authority
- B. CONSULTANT: Pacific Energy Advisors, Inc.

2. **Notices.** All written notices required by or related to this Agreement shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

OWNER: California Choice Energy Authority  
Attn: Jason Caudle, Executive Director  
44933 North Fern Avenue  
Lancaster, California 93534

CONSULTANT: John P. Dalessi, President  
Pacific Energy Advisors, Inc.  
1839 Iron Point Road, Suite 120  
Folsom, CA 95630

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign

any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.** CalChoice hereby engages Consultant, and Consultant accepts such engagement, to perform the professional services set forth in the “Scope of Services,” attached hereto as Exhibit “A” and incorporated herein by reference. Consultant shall perform and complete, in a manner satisfactory to CalChoice, all work and services set forth in Exhibit “A.” The Executive Director or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Executive Director, or his designee.

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B. No payment made hereunder by CalChoice to Consultant, other than the final payment, shall be construed as an acceptance by CalChoice of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

6. **Obligations of the Consultant.**

A. Consultant shall perform as required by this Agreement and in accordance with the Scope of Services set forth in Exhibit A.

B. Consultant shall not commence any new phase as set forth in Exhibit A without a prior written notice to proceed from CalChoice.

C. Consultant shall be responsible for payment of all employees’ wages and benefits, and shall comply with all requirements pertaining to employer’s liability, workers’ compensation, unemployment insurance, and Social Security.

D. Consultant shall not subcontract any of the work required to perform the Services without the express prior written approval of CalChoice.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless CalChoice, its officers and employees, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney’s fees, incurred to the extent arising out of or related to Consultant’s negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend CalChoice, its officers and employees, using counsel of CalChoice’s choosing, from and against any and all claims covered by the indemnity in the preceding sentence.

CalChoice agrees to indemnify and hold harmless Consultant, its employees and agents, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney's fees, incurred to the extent arising out of or related to CalChoice's negligent or willful wrongful acts, errors or omissions, or those of its officers or employees in relation to this Agreement. CalChoice agrees to defend Consultant, its employees and agents, using counsel of Consultant's choosing, from and against any and all claims covered by the indemnity in the preceding sentence; provided, however, that this indemnification and hold harmless shall not include any claims to the extent they arise from the negligence or willful misconduct of the Consultant, its employees or agents.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by CalChoice and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, gender, national origin, sexual orientation, physical or mental disability 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.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. CalChoice shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Term; Effective Date.** This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by CalChoice and the Consultant. This Agreement shall continue in full force and effect for twelve (12) months, plus two (2) automatic one-year extensions, from the Effective Date of the Agreement (the "Term"), unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that CalChoice and the Consultant may mutually agree in writing to extend the Term of this Agreement.

11. **Termination.**

A. For Convenience. CalChoice may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, whether for convenience or cause, Consultant will be paid for work completed through the date of termination within thirty (30) days following submittal of a final invoice.

B. For Cause. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms,

Consultant shall correct such failure within ten (10) days (or such longer period that CalChoice may authorize in writing) after receipt of notice from the City specifying such failure. Should the failure not be corrected within this time period, CalChoice may immediately terminate the Agreement by written notice to Consultant.

C. In the event of termination, whether for convenience or cause, reports, plans, studies and other documents related to the Services that have been delivered to CalChoice shall become CalChoice’s property.

12. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of CalChoice. It is expressly understood between the Parties to this Agreement that no employee/employer relationship is intended; Consultant is an independent contractor.

13. **Insurance.**

A. (1) The Consultant, at its expense, shall maintain in effect at all times during the performance of work under this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed “A-, VIII” or better in the Best’s Key Rating Guide:

<b>Commercial General Liability</b>	
Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Including Products/Completed Operations	
Including Contractual Liability/Independent Contractors	
Including Property Damage	
 <b>Commercial Automobile Liability</b>	
Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
 <b>Workers Compensation</b>	
As Required by the State of California	Statutory Limits
 <b>Employer’s Liability</b>	
Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
 <b>Professional Liability</b>	
Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000

B. General Liability insurance shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations. Commercial Auto coverage shall be at least as broad as ISO form CA00 01.

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

D. A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation/Employers Liability policies and a copy of the endorsement must accompany the certificate.

E. Any deductibles or self-insurance retentions must be declared and approved by CalChoice. At CalChoice's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CalChoice and its officers, employees and representatives (collectively, for purposes of this Section, "CalChoice"), or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

F. All insurance shall be primary and non-contributory as respects CalChoice. Any insurance or self-insurance maintained by CalChoice shall be in excess of the Consultant's insurance and shall not contribute with it.

G. The coverage provided under this Agreement shall not contain any special limitations on the scope of protection afforded to CalChoice.

H. Insurance provided and maintained by Consultant must be placed with insurers with a rating of A-, VIII or better by Best's Key Rating Guide, latest edition.

I. Insurance written on a "claims made" basis must be renewed for a period of five (5) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by CalChoice arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

J. Consultant shall furnish CalChoice with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by CalChoice before work commences. CalChoice reserves the right to require complete, certified copies of all required insurance policies at any time.

K. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CalChoice.

L. Certificates of Insurance must be deposited with CalChoice for all coverage required by this contract. Certificates shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days written notice for non-payment) to CalChoice.

(2) List in the “Descriptions of Operations/Locations/Vehicles/Special Items” section:

**“California Choice Energy Authority Partner City Support”**

**FOR PROFESSIONAL CONSULTANT SERVICES**

California Choice Energy Authority, its board of directors, officers, employees, contractors and representatives are included as additional covered parties, but only insofar as the operations under this contract are concerned.

(3) List in the “Certificate Holder” section:

California Choice Energy Authority, 44933 Fern Avenue, Lancaster, California 93534.

M. Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

N. The coverage shall contain no special limitations on the scope of protection afforded to the insured entities. The Consultant’s insurance coverage shall be primary insurance as respects CalChoice.

14. **Ownership of Documents.** All plans, specifications, reports, studies, maps and other documents prepared or obtained by Consultant in the course of performing the work and are required by this Agreement to be delivered to CalChoice shall be the property of CalChoice. Basic sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to CalChoice without restriction or limitation on their use. Notwithstanding the foregoing, CalChoice shall not obtain or retain any rights in or ownership to any of Consultant’s systems, documents, and/or intellectual property developed, produced, discover, or created by Consultant before the execution of the Agreement or in connection with service performed outside of this Agreement.

15. **Data Provided to Consultant.** CalChoice shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in CalChoice’s possession which may facilitate the timely performance of the work described in Exhibit A.

16. **Consultant’s Warranties and Representations.**

Consultant warrants and represents to CalChoice as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, CalChoice shall have the right, in its sole discretion, to terminate this Agreement

without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of CalChoice has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to CalChoice, even if such interest would not be deemed a prohibited “conflict of interest” under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

18. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys’ fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

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

19. **Exhibits.**

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety:

Exhibit “A”            Scope of Services

20. **Governing Law.**

This Agreement shall be governed by the laws of the State of California.

21. **Effective Date.**

This Agreement shall become effective as of the date set forth below on which the last of the parties, whether CalChoice or Consultant, executes said Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

PACIFIC ENERGY ADVISORS, INC.

By: \_\_\_\_\_  
John P. Dalessi, President

Dated: \_\_\_\_\_

CALIFORNIA CHOICE ENERGY AUTHORITY

By: \_\_\_\_\_  
Jason Caudle, Executive Director  
By: Barbara Boswell, Treasurer

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Andrea Alexander, City Clerk/Acting Authority Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Allison E. Burns, City Attorney/Authority Counsel

## **EXHIBIT A SCOPE OF SERVICES**

### PHASE 3: ON-GOING ADMINISTRATIVE SUPPORT

PEA will provide consulting and technical services to CalChoice in support of the respective CCA programs of its Members. The proposed services cover the essential tasks related to managing the power supply and rate-setting functions for these programs. The proposed scope of services is described below.

#### **1) Power Resources Management**

Working with CalChoice leadership as well as its designated Scheduling Coordinator, PEA will manage the power resources portfolios of the Members in accordance with CalChoice's adopted policies and all applicable regulatory requirements. PEA will perform Middle Office functions for CalChoice encompassing the areas of resource planning, portfolio management, electric procurement, and the variety of regulatory compliance activities related to electric power supply. The following tasks are included within this service area:

##### *(a) Maintain Annual and Long-Term Sales Forecast:*

- Prepare and maintain CalChoice Member customer and electric sales forecasts, including forecasts of: 1) monthly enrolled accounts, megawatt hours ("MWh") and megawatts ("MW") by load profile group; and 2) monthly coincident peak MW and hourly MW for the CalChoice Member systems.
- Update long-term sales forecasts, as necessary, to maintain accuracy; monitor accuracy of load forecasts on a monthly basis; consider adjustments to such forecasts if observed variance exceeds threshold of 5% forecast error.

##### *(b) Electric Supply Management:*

- Maintain load and resource balance models to identify incremental electric procurement needs in consideration of quantified open positions, CalChoice resource and risk management policies, and applicable regulatory requirements; coordinate with management to develop and implement procurement strategies to address electric resource needs.
- Support procurement and/or sales of energy and capacity products including preparing requisite solicitation documents, participating in supplier/developer communications, providing analytical support during proposal/bid evaluation, negotiating commercial contract terms, and other related, as-needed activities.
- Annually, prepare and update internal resource plans, including ten-year load and resource projections, encompassing both supply and demand side resources.

- Review and validate periodic invoices received from CalChoice’s Scheduling Coordinator and electric suppliers to ensure charges are consistent with contract terms; bring any identified discrepancies to management’s attention; and support attempts to resolve issues with counterparties.
- Monitor energy market activities, including pricing trends and forward curves related to market energy, renewable energy and capacity.
- Maintain/manage relationships with qualified suppliers of requisite energy products: participate in periodic calls, email exchanges and other communications with and/or on behalf of CalChoice and its Members.

*(c) Regulatory Compliance:*

- Manage renewable energy portfolio per state/program standards; prepare Renewable Portfolio Standards (“RPS”) compliance filings and serve as CalChoice’s liaison with pertinent regulatory agencies for matters related to RPS compliance.
- Manage CalChoice Members’ Western Renewable Energy Generation Information System (“WREGIS”) accounts and various subaccounts, including report preparation, certificate transfer review and retirement (to facilitate mandatory and regulatory compliance), as-needed generator registration (example: Feed-In Tariff projects under contract with CalChoice) and other account management activities. Provide support during third-party audit processes, if applicable, including data gathering and analysis, reporting and liaison activities with CalChoice’s selected auditor and pertinent regulatory agencies.
- Manage Resource Adequacy portfolios per state/program standards; prepare year-ahead and month-ahead peak demand forecasts and resource adequacy compliance demonstration filings; coordinate with CalChoice’s Scheduling Coordinator and regulatory agencies to resolve any discrepancies that may arise during compliance review.
- Provide data analysis and assist in preparing reports related to the California’s Power Source Disclosure Program, including technical elements of Power Content Label development and review; such support may also entail regulatory liaison activities required to successfully complete applicable reports.
- Prepare compliance filings pursuant to the California Energy Commission’s biennial Integrated Energy Policy Report, Quarterly Fuels and Energy Report, and the U.S. Energy Information Agency monthly EIA-826 and annual EIA-861 reports.
- Prepare all required compliance documentation under this task and coordinate with CalChoice’s regulatory personnel or contractors, who will be responsible for formal submission of filings to the appropriate regulatory body.

**2) Rate Setting, Financial Modeling & Performance Reporting**

PEA will maintain a working pro forma financial model for each CalChoice Member program for use in budgeting, cash flow planning, financial performance monitoring, and scenario analyses. PEA will design customer electric rates and update rates for approval by each of the Member's respective governing boards on an annual basis – such rates will be established at sufficient levels to meet adopted financial targets. PEA will provide technical rate support including monitoring SCE rate changes as they impact customer cost comparisons and also provide assistance with the preparation of joint cost comparison models. The following tasks are included within this service area:

*(a) Rate-setting*

- Annually, develop proposed CalChoice Member rate schedules; cost of service modeling; SCE benchmarking; billing determinant (e.g., TOU energy) forecast; present and proposed rate revenue forecast.
- Collaborate with staff, CalChoice, and CalChoice Member governing bodies, as necessary, in regards to rate changes, including necessary new rate designs or options.
- Support for development and administration of certain CCA customer programs, including Net Energy Metering, green energy, and Feed-In Tariffs, if desired by CalChoice or the Members.
- Monitor realized rate revenue vs. projections to identify necessary rate changes.
- Monitor SCE rates and surcharges and assist CalChoice with preparation of mandated joint cost comparisons reports.

*(b) Maintain Financial Model (pro forma)*

- Maintain pro forma financial models of monthly income/expense projections, cash flow and cash balances.
- Update pro forma models as necessary to incorporate current load, resource and market data; monitor accuracy of financial projections on monthly basis; assist in reconciling budget variances.
- Prepare forecast of power supply and other expenses for annual budget.
- Prepare draft annual budget for each CalChoice Member program in cooperation with CalChoice management and accountants.
- As necessary, coordinate with CalChoice, its Members, and its financial advisors with regard to matters that may impact CalChoice's financial standing, debt levels, electric rates, annual budget, resource planning and other key concerns.

*(c) Performance monitoring and reporting*

- Prepare monthly executive summary reports containing information on key program performance metrics related to enrolled customer accounts, customer opt-out rates, electricity sales volumes,

revenues, comparisons to forecasts/budgets, comparisons to previous periods, and highlighting noteworthy operational insights.

- Monitor net open positions and provide monthly reporting of net open positions pursuant to adopted CalChoice risk management policies.

Fee for Performance of Phase 3 Services: \$16,000.00 per month, with a not to exceed amount of \$192,000 over a (12) month period.

Consultant will be reimbursed for actual travel expenses incurred in the performance of the work for all travel explicitly requested by CalChoice, not to exceed \$10,000 annually.

**STAFF REPORT**  
**City of Lancaster**

CC 2
10/27/20
JC

Date: October 27, 2020  
To: Mayor Parris and City Council Members  
From: George N. Harris II, Finance Director  
Subject: **Check Registers – September 27, 2020 through October 10, 2020**

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**Recommendation:**

Approve the Check Registers as presented.

**Fiscal Impact:**

\$4,365,420.37 as detailed in the Check Registers.

**Background:**

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

Check Nos.:	7414160-7414384	\$ 4,313,306.78
ACH/Wire Check Nos.:	101010735-101010740	\$ <u>52,113.59</u>
		\$ 4,365,420.37
Voided Check No.:	N/A	
Voided ACH/Wire No.:	N/A	

GH:sp

Staff Report  
Monthly Report of Investments  
September 26, 2006  
Page 2

**Attachments:**

Check Register

ACH/Wire Register

# City of Lancaster Check Register



From Check No.: 101010735 - To Check No.: 101010740

From Check Date: 09/27/20 - To Check Date: 10/10/20

Printed: 10/12/2020 12:29

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
101010735	09509	ADP, LLC	ADP FEES-PE 08/01/2020	460.51	101 4220301	460.51
101010736	09509	ADP, LLC	ADP FEES-PE 08/10 & 09/11/20	2,363.49	101 4220301	450.45
					101 4220301	604.89
					101 4220301	621.75
			ADP FEES-PE 07/31/20	20.00	101 4220301	686.40
			ADP FEES-PE 07/31/2020	12.00	101 4220301	20.00
				<u>2,395.49</u>		<u>12.00</u>
						<u>2,395.49</u>
101010737	09509	ADP, LLC	ADP FEES-BAR-CODE TIME CLOCKS	5,748.81	101 4220301	5,748.81
			ADP FEES-PE 08/15/2020	467.44	101 4220301	467.44
				<u>6,216.25</u>		<u>6,216.25</u>
101010738	09509	ADP, LLC	ADP FEES-PE 08/31/2020	92.00	101 4220301	92.00
			ADP FEES-PE 09/14 & 10/11/2020	2,326.95	101 4220301	441.00
					101 4220301	592.20
					101 4220301	621.75
				<u>2,418.95</u>	101 4220301	<u>672.00</u>
						<u>2,418.95</u>
101010739	05987	THE VISITORS BUREAU-LANCASTER	07/20-TBID FEES	32,836.79	101 2501000	32,836.79
101010740	10244	FULLY CHARGED SHOW LTD	REG FEE-FULLY CHGD CITIES 2020	7,785.60	490 4250200	7,785.60
Chk Count	<u>6</u>			Check Report Total	<u>52,113.59</u>	

# City of Lancaster Check Register



From Check No.: 7414160 - To Check No.: 7414384  
 From Check Date: 09/27/20 - To Check Date: 10/10/20

Printed: 10/12/2020 12:31

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7414160	10250	DIAMANTE, ERIC AND ANA	STAND STRONG LOAN	10,000.00	101 4431770	10,000.00
7414161	08754	CA MUNICIPAL COMPLNCE CNSLTNTS	09/20-PS-CONSULTING SVCS	39,703.00	101 4800301	39,703.00
7414162	D4259	HOLCOMB, SAKIMA G	SH-REIMB CLASS DL RENEWAL	48.00	101 4220311	48.00
7414163	1296	L A CO CLERK-ENVIRO FILINGS	NOE-IB 2101-AVE K-8 & 15TH W	75.00	220 12SD026924	75.00
7414164	D2652	L A CO REGISTRAR-RECORDER	RELEASE OF PROPERTY LIEN 44903 17TH ST W LANCASTER	20.00	101 4245301	20.00
7414165	D2287	LANCASTER CODE ENFRMNT ASSN	UNION DUES-PP 20/2020	330.00	101 2171000	330.00
7414166	05509	P A R S	07/20-REP FEES	5,260.55	101 4220301	5,260.55
7414167	A7221	P E R S LONG TERM CARE PROGRAM	LONG TERM CARE PREM-PP 20/2020	729.06	101 2170200	729.06
7414168	D4302	SIEMANTEL, BRIEN L	BS-BOOT/PANT REIMB-WORK BOOTS	348.59	203 4752220	348.59
7414169	08988	SMITH, CHRISTINA	09/12-09/25/20 CONSULTING SVCS	3,034.60	101 4300301	3,034.60
7414170	03154	SO CA EDISON	08/17-09/17/2020 ELECTRIC SVC	545.52	101 4633652	318.91
					203 4785652	55.41
					482 4636652	49.58
					483 4785660	121.62
				545.52		545.52
7414171	03154	SO CA EDISON	07/09-09/08/2020 ELECTRIC SVC	2,492.13	203 4785652	2,182.26
					483 4785660	309.87
				2,492.13		2,492.13
7414172	03154	SO CA EDISON	07/16-09/15/2020 ELECTRIC SVC	11,752.09	203 4785652	6,293.69
					480 4755652	508.09
					483 4785660	40.27
					484 4755652	199.09
					485 4755652	4,234.80
					490 4250652	476.15
				11,752.09		11,752.09
7414173	1907	SO CA GAS COMPANY	04/22-09/21/2020 GAS SVC	792.49	101 4631655	676.05
					101 4633655	66.60
					101 4635655	28.70
					306 4300655	21.14
				792.49		792.49
7414174	C2555	TIME WARNER CABLE	09/03-10/02/20 TV SERVICE TW INV#2242622090320	44.21	101 4315651	44.21
7414175	C2555	TIME WARNER CABLE	09/14-10/13/20 INTERNET SVC TW INV#1995014091420	164.99	101 4820651	164.99

# City of Lancaster Check Register



From Check No.: 7414160 - To Check No.: 7414384  
 From Check Date: 09/27/20 - To Check Date: 10/10/20

Printed: 10/12/2020 12:31

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7414176	10209	1000BULBS.COM	OMP-PLAYGROUND LED LIGHTS	4,000.67	361 11ZZ007924	4,000.67
7414177	00156	A V HOSPITAL	08/20-DRIVE-THRU COVID TESTING 34 TESTS @ \$75	2,550.00	101 4431301	2,550.00
7414178	D1445	A V PARTNERS FOR HEALTH	J-12 IMPACT HOUSE-LOWE'S RECT	32.81	306 4300682	32.81
7414179	00107	A V PRESS	08/20-ECON STIM & OPER JUMP ST	1,829.07	101 4240355	1,829.07
7414180	10014	ADVANTAGE COLORGRAPHICS	OUTLOOK-FALL 2020(63,310)	24,923.00	101 4205253	150.00
					101 4205253	24,773.00
				<u>24,923.00</u>		<u>24,923.00</u>
7414181	07741	AGRI-TURF DISTRIBUTING LLC	LMS-SEED	418.29	101 4631404	418.29
7414182	C6143	AMERICAN BUSINESS MACHINES	HP 90A BLACK LASER EXT YLD(1)	232.58	101 4410254	232.58
			IMAGE RUNNER ADV COPIER	7.24	101 4410254	7.24
				<u>239.82</u>		<u>239.82</u>
7414183	D3147	AMERICAN PLUMBING SERVICES,INC	TBP-REPAIR URINAL	196.18	101 4631402	196.18
			MLS-REPAIR	121.25	101 4633403	121.25
			AHP-RESTROOM SVC	136.47	101 4631403	136.47
				<u>453.90</u>		<u>453.90</u>
7414184	04190	AMERIPRIDE SERVICES	UNIFORM CLEANING	88.30	101 4753209	88.30
7414185	02693	ANDY GUMP, INC	OMP-FENCE RENTAL-9/15-10/12/20	33.51	101 4634602	33.51
			HP-FENCE RENTAL	17.74	101 4634602	17.74
				<u>51.25</u>		<u>51.25</u>
7414186	09102	ARCHIVESOCIAL	MONTHLY SOCIAL MEDIA ARCHIVE 9/12/20-9/11/21	5,966.04	101 4205301	5,966.04
7414187	09850	ARENA, AMY T	SUMMER 2020-IMPROV FOR KIDS	54.00	101 4643308	54.00
7414188	C9805	ARROW TRANSIT MIX INC	READY MIX CONCRETE	323.03	203 4752410	323.03
			READY MIX CONCRETE	556.97	203 4752410	556.97
			READY MIX CONCRETE	590.92	203 4752410	590.92
				<u>1,470.92</u>		<u>1,470.92</u>
7414189	03485	BAKERSFIELD TRUCK CENTER	TENSIONER BELT-EQ3783	372.14	203 4752207	372.14
7414190	C4358	BEST BEST & KRIEGER LLP	LEGAL SVCS THRU 08/31/2020 RE: ECON DEVT	99.00	306 4240301	99.00
7414191	06176	C S TECH GROUP, INC	TV WALL MOUNT(2)	1,968.28	101 4315251	1,968.28
7414192	07128	CITY CLERKS ASSOCIATION OF CA	AA-MEMBERSHIP RNWL-PRIMARY THRU 07/01/2021	210.00	101 4210206	210.00
			AH-MEMBERSHIP RNWL-ASSOC THRU 07/01/2021	70.00	101 4210206	70.00
				<u>280.00</u>		<u>280.00</u>
7414193	C2185	CLARK PEST CONTROL	CH-ESSENTIAL CLEANING-COVID-19	880.00	101 4431301	880.00
			CH-ESSENTIAL CLEANING-COVID-19	880.00	101 4431301	880.00
			CH-ESSENTIAL CLEANING-COVID-19	880.00	101 4431301	880.00

# City of Lancaster Check Register



From Check No.: 7414160 - To Check No.: 7414384  
 From Check Date: 09/27/20 - To Check Date: 10/10/20

Printed: 10/12/2020 12:31

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
				2,640.00		2,640.00
7414194	05128	CLEANSTREET	08/20 MONTHLY STREET SWEEP	44,986.77	203 4752450	43,986.77
			ADDS TO ROUTE STREET SWEEP APR-JUL 2020 @ 36.43	145.72	484 4752450	1,000.00
				45,132.49	203 4752450	145.72
						45,132.49
7414195	08484	CONSOLIDATED ELECTRCL DIST INC	MTNC YD-250V MIDGET FUSE	33.73	483 4785665	33.73
			MTNC YD-MED SOCKETS	118.26	483 4785665	118.26
				151.99		151.99
7414196	05830	CONVERSE CONSULTANTS	CP20012-PRIME DESERT	667.50	227 11GS011924	667.50
			CP20009-PRIME DESERT AVE K-4	495.00	210 15ST077924	495.00
				1,162.50		1,162.50
7414197	10251	COOK, KAYLA	REFUND-ACTING CLASS	100.00	101 2182001	100.00
7414198	05789	CORE & MAIN LP	MTNC YD-NON ASB GASKET	30.00	485 4755405	30.00
7414199	05696	D D L TRAFFIC INC	BATTERIES(80)	15,848.00	211 4785763	15,848.00
7414200	00432	DEPT OF JUSTICE	08/20-FINGERPRINT APPS	352.00	101 4220301	352.00
7414201	D3240	FASTENAL COMPANY	CITY ENGINEERING	4,073.32	101 4783259	96.05
					203 4785208	544.65
					203 4785454	1,914.06
					203 4785455	850.27
					203 4785456	212.43
					203 4785461	399.00
					483 4785660	56.86
			CREDIT-10.1 OZ GRAY G&F SLNT ORIG INV #CA0631240	(111.32)	203 4785461	(111.32)
			CITY ENGINEERING	6,003.23	203 4785454	4,979.39
					203 4785455	774.91
					203 4785456	106.21
					203 4785461	142.72
			CITY ENGINEERING	8,426.03	203 4785455	8,426.03
			CITY ENGINEERING	2,463.65	203 4785208	1,741.84
					203 4785455	174.31
					203 4785456	547.50
			CREDIT-GRINDER KIT ORIG INV #CA0631269	(544.65)	203 4785208	(544.65)
			CITY ENGINEERING	960.01	203 4785208	109.62
					203 4785454	200.11
					203 4785455	592.40
					203 4785461	57.88
			FACE MASKS	28,688.89	101 4431295	28,688.89
			COPY PAPER	581.85	101 4410254	581.85
			PARKS & FACILITIES	2,821.19	101 4633403	1,167.54
					101 4633406	1,297.62
					101 4634403	20.82
					101 4634406	335.21
			UTILITY SVCS	551.18	480 4755208	10.21

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					480 4755405	26.15
					484 4755410	391.09
					485 4755410	123.73
			CREDIT-FACE MASKS ORIG INV #CA0631337	(12,592.39)	101 4431295	(12,592.39)
			ENVIRONMENTAL	1,057.00	101 4755355	800.55
					331 4755787	256.45
				<u>42,377.99</u>		<u>42,377.99</u>
7414202	00617	FEDERAL EXPRESS CORPORATION	EXPRESS MAILING	22.14	101 4770212	22.14
			EXPRESS MAILINGS	112.99	101 4230212	35.78
					101 4770212	22.09
					101 4783253	41.17
					101 4800212	13.95
				<u>135.13</u>		<u>135.13</u>
7414203	08441	FRANKLIN TRUCK PARTS INC	LD BNDR CHN/SLP HKS-EQ3986	243.62	480 4755207	243.62
7414204	10253	HAMILL, NATALIA	REFUND-ACTIVITY CANCELATION	46.00	101 2182001	46.00
7414205	06623	INTERN'L DANCE FITNESS ACADEMY	SUMMER 2020-BALLET/TAP 3-4YR	36.00	101 4643308	36.00
			SUMMER 2020-BALLET/TAP 5-7YR	54.00	101 4643308	54.00
				<u>90.00</u>		<u>90.00</u>
7414206	06328	INTERSTATE ALL BATTERY CENTER	12V HIGH RATE-EQ3999	31.70	203 4752207	31.70
7414207	A2594	INTERSTATE BATTERY SYS OF A V	BATTERIES(2)-EQ1751	243.67	101 4200207	243.67
			BATTERY-EQ7512	131.91	101 4761207	131.91
				<u>375.58</u>		<u>375.58</u>
7414208	A6448	JOHNSON CONTROLS INC	04/01/2018-03/31/2019	25,077.00	101 4633301	25,077.00
7414209	D3426	LAW OFFICES CHRISTOPHER RAMSEY	CLAIM #050-18/CLGL-1405A1	5,947.50	109 4430300	5,947.50
7414210	10254	LUCERO, ERICK	REFUND OF PARKING FINE	434.00	101 3310200	434.00
7414211	01450	MCCAIN INC	CONTROLLER FOR 2010ECLIP CMU	7,429.57	203 4785461	7,429.57
			SIGNALS FOR TV-1-T	996.20	203 4785460	996.20
				<u>8,425.77</u>		<u>8,425.77</u>
7414212	10190	MCKESSON MEDICAL-SURGICAL INC	TEST KITS-SOFIA 2 SARS ANTIGEN PO LN 1	2,518.93	101 4431301	0.43
					101 4431301	2,518.50
			TEST KITS-SOFIA 2 SARS ANTIGEN PO LN 1	3,778.18	101 4431301	0.43
					101 4431301	3,777.75
				<u>6,297.11</u>		<u>6,297.11</u>
7414213	10256	MIER, BRYAN	DRONE-PHOTOVIDEO/EDITING PROJECT POW WOW	2,000.00	101 4207296	2,000.00
7414214	D3578	MINUTEMAN PRESS	OUTLOOK PROCESSING(61300)	1,909.05	101 4205253	1,909.05
7414215	08562	NAPA AUTO PARTS	OIL FILTER-EQ7511	5.88	101 4783207	5.88
			DISC PADS-EQ7511	35.27	101 4783207	35.27
			FUSE-EQ4359	16.40	203 4785207	16.40

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			COUPLINGS(3)-EQ3988	46.94	480 4755207	46.94
			DISC PADS(2)-EQ1516	85.65	101 4800207	85.65
			OIL FILTER-EQ5500	5.99	101 4783207	5.99
				<u>196.13</u>		<u>196.13</u>
7414216	06605	NC4 PUBLIC SECTOR LLC	E-TEAM MTNC RENEWAL-9/20-8/21	11,991.00	101 4245350	11,991.00
7414217	09270	NEXTECH SYSTEMS INC	COUNTDOWN MODULE 16X18	1,927.20	203 4785461	1,927.20
7414218	07540	OFFICETEAM	KG-FIN STAFF-WE 09/18/2020	2,128.56	101 4410301	2,128.56
7414219	C7808	OPSEC SPECIALIZED PROTECTION	JRP-SECURITY-9/13/2020	468.00	101 4431301	468.00
			EDP-SECURITY-9/21/2020 VANDALISM PREVENTION	390.00	101 4631301	390.00
				<u>858.00</u>		<u>858.00</u>
7414220	05741	P P G ARCHITECTURAL FINISHES	PAINT SUPPLIES	146.25	203 4752502	146.25
			PAINT SUPPLIES	94.77	203 4752502	94.77
				<u>241.02</u>		<u>241.02</u>
7414221	05998	PAVING THE WAY FOUNDATION	CMMNTY SPRT/GOOD CTZNSHP PRGM	5,500.00	101 4820301	5,500.00
7414222	A2220	PESTMASTER SERVICES, INC	MOWING-8/25 8/28 8/29/2020	4,911.50	101 4752408	4,911.50
7414223	06160	PRIME TIME PARTY RENTALS	TBL/CHR/UMB RNTL-9/18-9/19/20	462.00	101 4431295	462.00
7414224	C5395	PRO ACTIVE WORK HEALTH SERVICES	PC-PHYS/TB/ESCREEN-8/19/20	100.00	101 4220255	100.00
			SF-VACCINES-08/25/20	178.00	101 4220301	178.00
			DR-PHYS/TB/ESCREEN-8/25/20	100.00	101 4220255	100.00
				<u>378.00</u>		<u>378.00</u>
7414225	07507	RESOURCE BUILDING MATERIALS	MTNC YD-CONCRETE MIX	596.93	203 4752410	596.93
			CREDIT-OMP MEMORIAL PAVERS	(218.53)	261 11BS026924	(218.53)
				<u>378.40</u>		<u>378.40</u>
7414226	D3947	S G A CLEANING SERVICES	OMP-HOMELESS AREA CLN/SANITIZE	1,150.00	261 4542773	1,150.00
			JRP-HOMELESS AREA CLN/SANITIZE	960.00	261 4542773	960.00
			LMS-BERM IRRIG REPAIR	390.00	101 4632402	390.00
			BOE-HOMELESS AREA TRASH/DEBRIS	1,360.00	261 4542773	1,360.00
			BOE-HOMELESS AREA CLN/SANITIZE	1,150.00	261 4542773	1,150.00
			REPLACE FAUCETS-45740 KINGTREE	308.00	306 4300682	308.00
			AHP-HOMELESS AREA CLN/SANITIZE	985.00	261 4542773	985.00
			RRP BTHRM FAIN-43028 GUYMAN AV	120.00	306 4300682	120.00
				<u>6,423.00</u>		<u>6,423.00</u>
7414227	03962	SAFETY KLEEN	OIL SVC/STOP FEE NON-PREQUAL	175.00	331 4755787	175.00
7414228	00553	SHERWIN-WILLIAMS	OMP-VANDALISM-ANTI GRAFFITI CLEAR COAT	514.65	101 4634404	514.65
7414229	05934	SHI INTERNATIONAL CORP	08/20-AWS CLOUD-IAAS SVC	344.19	101 4315302	344.19
			VMWARE VSPHERE 7 MAINT/SUPP 9/19/20-9/18/21	5,931.00	101 4315302	5,931.00
				<u>6,275.19</u>		<u>6,275.19</u>

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7414230	1995	SIERRA TOYOTA INC	LABOR/PARTS-EQ1516	185.15	101 4800207	185.15
7414231	10255	SIMON, DENISE	SETTLEMENT CLAIM #086-19	1,590.00	109 4430300	1,590.00
7414232	01816	SMITH PIPE & SUPPLY INC	NSC-IRRIGATION SUPPLIES	214.08	101 4635404	214.08
			TBP-IRRIGATION SUPPLIES	269.68	101 4631404	269.68
				<u>483.76</u>		<u>483.76</u>
7414233	09163	SOCAL OFFICE TECHNOLOGIES	09/27-10/26/2020-EQUIPMENT	347.55	101 4410254	347.55
7414234	09801	SPECTRUM REACH	RECYCLING BEVERAGE CONTAINERS	802.75	330 4755779	802.75
			RECYCLING BEVERAGE CONTAINERS	999.25	330 4755779	999.25
			RECYCLING BEVERAGE CONTAINERS	1,198.50	330 4755779	1,198.50
				<u>3,000.50</u>		<u>3,000.50</u>
7414235	03610	STANDARD REGISTER	CHECK STOCK-9850B	1,468.49	101 4410254	1,468.49
7414236	05413	STATEWIDE TRAFFIC SAFETY/SIGNS	MTNC YD-CONES(50)	999.19	483 4785660	999.19
			MTNC YD - SUPPLIES	946.24	203 4785454	946.24
			MTNC YD-SUPPLIES	426.13	203 4785454	426.13
			MTNC YD-SWARCO CA SPEC EXTRD	3,503.65	203 4785454	3,503.65
				<u>5,875.21</u>		<u>5,875.21</u>
7414237	A6479	TAFT ELECTRIC COMPANY	FOUNDATION & POLE REPLACEMENT	16,247.46	483 4785660	16,247.46
			REPLACE DAMAGED FOUNDATION	3,587.36	483 4785460	3,587.36
			CHANGE STEEL POLES TO CONCRETE	13,250.00	483 4785461	13,250.00
			INSTALLATION-AVE I & 20TH	10,794.87	203 4785461	10,794.87
			INSTLL 2 LGHTS/ARMS-AVE K & 50	5,884.69	483 4785660	5,884.69
				<u>49,764.38</u>		<u>49,764.38</u>
7414238	08177	TEKWERKS	CH-SECURITY CAMERA INSTALLATN	39,981.44	701 11BS019924	39,981.44
7414239	2009	THE TIRE STORE	TIRES(4)-EQ5500	389.40	101 4783207	389.40
7414240	10252	THRASHER, ANNA	REFUND-ACTIVITY CANCELATION LIFEGUARD TRNG-03/2020	122.00	101 2182001	122.00
7414241	08783	UNIFIRST CORPORATION	CREDIT-DELIVERY	(100.45)	480 4755209	(100.45)
			UNIFORM CLEANING	124.14	101 4755355	8.36
			UNIFORM CLEANING	118.72	480 4755209	115.78
					101 4755355	8.36
				<u>142.41</u>	480 4755209	<u>110.36</u>
						<u>142.41</u>
7414242	06423	UTILITY SYSTEMS SCIENCE/SFTWRE	20TH E & J-4 BACKUP BATTERY	281.79	480 4755405	281.79
7414243	09669	VERONICA TAM & ASSOCIATES INC	NEEDS ASSESSMENT/STRAT PLAN	991.00	306 4342301	991.00
7414244	06384	VOYAGER FLEET SYSTEMS INC	VOYAGER FLEET SYSTEMS 09/24/20	209.98	101 2602000	209.98
7414245	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	252.40	203 4752410	252.40
			ASPHALT PICKUP	190.88	203 4752410	190.88

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			COLD MIX	258.97	203 4752410	258.97
			COLD MIX	131.13	203 4752410	131.13
			COLD MIX	138.52	203 4752410	138.52
			ASPHALT PICKUP	976.43	203 4752410	976.43
				<u>1,948.33</u>		<u>1,948.33</u>
7414246	D0298	WILLDAN FINANCIAL SERVICES	IMPACT FEE NEXUS STUDY THRU 04/03/2020	9,280.00	101 4200301	9,280.00
			IMPACT FEE NEXUS STUDY THRU 06/30/2020	9,645.00	101 4200301	9,645.00
			CFD FEASIBILITY/FORMATION SVCS THRU 06/30/2020	1,212.00	101 4200301	1,212.00
			IMPACT FEE NEXUS STUDY THRU 07/31/2020	2,372.00	101 4200301	2,372.00
			CFD FEASIBILITY/FORMATION SVCS THRU 08/31/2020	2,990.00	101 4200301	2,990.00
				<u>25,499.00</u>		<u>25,499.00</u>
7414247	04627	Z A P MANUFACTURING INC	M-0500D 48X50YDS-WHT-COMM GRD	607.73	203 4785455	607.73
			T-6500 48X50YDS-WHT-HIP-P/S	1,587.75	203 4785455	1,587.75
				<u>2,195.48</u>		<u>2,195.48</u>
7414248	10186	ZENCITY TECHNOLOGIES US INC	2ND ZENCITY YRLY PLATFORM-FY21	24,000.00	101 4240340	24,000.00
7414249	2501	ZUMAR INDUSTRIES, INC	SIGN BLANKS FOR ST NAME SIGNS	4,701.00	203 4785456	4,701.00
7414250	1215	L A CO WATERWORKS	07/09-09/17/2020 WATER SVC	68,003.06	101 4631654	49,296.91
					101 4633654	1,402.82
					101 4651654	309.32
					101 4800403	152.56
					203 4636654	1,940.08
					306 4300654	51.45
					482 4636654	14,849.92
				<u>68,003.06</u>		<u>68,003.06</u>
7414251	A7061	C A RASMUSSEN, INC	CP16004-10TH ST-RD DIET/BIKELN	463,699.75	101 15BW008924	1,033.83
					101 15BW008924	19,642.76
					150 2100003	(6,500.79)
					150 2100003	(5,904.68)
					150 2100003	(4,008.21)
					150 2100003	(2,293.63)
					150 2100003	(1,584.88)
					150 2100003	(1,489.22)
					150 2100003	(1,033.83)
					150 2100003	(938.35)
					150 2100003	(651.66)
					206 15BW008924	1,584.88
					206 15BW008924	30,112.75
					208 15BW008924	1,489.22
					208 15BW008924	28,295.19
					209 15BW008924	651.66
					209 15BW008924	12,381.61
					210 15BW008924	938.34
					210 15BW008924	17,828.46
					220 15BW008924	4,008.21
					220 15BW008924	76,156.02

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					321 15BW008924	2,293.63
					321 15BW008924	43,578.94
					323 15BW008924	6,500.79
					323 15BW008924	123,515.08
					399 15BW008924	5,904.68
					399 15BW008924	112,188.95
				463,699.75		463,699.75
7414252	09612	COUNTY OF LA - PUBLIC WORKS	R9LAN8005-CSR#268005-AVE G 1980' W/O 90TH ST W-70TH ST W	42,931.85	208 15BW009924	42,931.85
			R9LAN8005-CSR#268005-AVE G 1980' W/O 90TH ST W-70TH ST W	10,309.40	208 15BW009924	10,309.40
				53,241.25		53,241.25
7414253	A8656	KIMLEY-HORN & ASSOCIATES INC	CP16008-PED GAP-CLOSURES	20,757.80	232 15SW016924	20,757.80
			CP20006-LANCASTER HEALTH DIST	218,574.50	209 15ST058924	129,614.68
					321 15ST058924	88,959.82
				239,332.30		239,332.30
7414254	1214	L A CO SHERIFF'S DEPT	08/20-LAW ENFORCEMENT SVCS	2,408,240.65	101 4820354	2,174,049.15
					101 4820357	234,191.50
				2,408,240.65		2,408,240.65
7414255	06429	STANTEC CONSULTING SRVCS INC	CP21003-2020 SUMMER PMP	20,150.73	701 12ST042924	20,150.73
			CP21007-2020 FALL PMP	2,418.75	701 12ST043924	2,418.75
			CP21003-2020 SUMMER PMP	1,848.00	701 12ST042924	1,848.00
			CP21007-2020 FALL PMP	34,060.50	701 12ST043924	34,060.50
				58,477.98		58,477.98
7414256	C0379	A V BALLET	PERF FEE-LPAC HOLIDAY MOMENTS	500.00	101 4650257	500.00
7414257	A5389	A V FAIR	CITY CONT-LIVESTOCK AUCTION AV FAIR	1,650.00	101 4100205	1,650.00
7414258	A5389	A V FAIR	LCE CONT-AV FAIR LIVESTOCK AUC	1,650.00	490 4250205	1,650.00
7414259	C8655	BAILEY, BRYAN	BB-BOOT/PANT REIMBURSEMENT	220.00	203 4752220	220.00
7414260	06699	BOOKER, MELVIN JR	KING-PERF FOR HOLIDAY MOMENTS	400.00	101 4650257	400.00
7414261	D3303	BORCHARD FARMS	PUMPKINS/DELIVERY	940.00	101 4649222	940.00
7414262	D1872	CA WATER ENVIRONMENTAL ASSN	BS-ENVIRO COMPL INSPECTOR	91.00	101 4220311	91.00
7414263	D1872	CA WATER ENVIRONMENTAL ASSN	MT-COLL SYS MAINT GRADE 2	96.00	101 4220311	96.00
7414264	D1872	CA WATER ENVIRONMENTAL ASSN	OR-COLL SYS MAINT-GRADE 2	96.00	101 4220311	96.00
7414265	3563	CEDAR STREET THEATRE	CST-LPAC HOLIDAY MOMENTS	500.00	101 4650257	500.00
7414266	02108	FRANCHISE TAX BOARD	WTHHLDNG OR#116946449112902283	69.00	101 2177001	69.00
7414267	10267	FULCO, JOEI	THE FULCO EXPERIENCE-LPAC HOLIDAY MOMENTS EVENT	500.00	101 4650257	500.00
7414268	10266	GILL, SHER SINGH	PURCHASE ROAD EASEMENT APN 3150-007-058 & 065	4,910.00	203 15SW016924	4,910.00

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7414269	07987	JAGHASBANIAN, TAMAR	PURCHASE ROAD EASEMENT APNS 3112-050-004 & 005	2,600.00	203 15SW016924	2,600.00
7414270	09790	JUST US ENTERTAINMENT LLC	JUST US-LPAC HOLIDAY MOMENTS	400.00	101 4650257	400.00
7414271	1215	L A CO WATERWORKS	7/20-9/25/20 WATER SERVICE	42,643.70	101 4631654 101 4632654 101 4650654 203 4636654 203 4752654 306 4342684 482 4636654	8,285.77 8,257.90 503.11 3,010.41 256.53 1,008.51 21,321.47
				42,643.70		42,643.70
7414272	1348	MATALON, LEON	JAZZ HORIZONS-LPAC HOLIDAY MMT	600.00	101 4650257	600.00
7414273	07662	MEDLIN JR, RICK A	RAT PACK RICKY-LPAC HOL MOMNTS	300.00	101 4650257	300.00
7414274	A7221	P E R S LONG TERM CARE PROGRAM	LONG TERM CARE PREM-PP 7/2019 INV DT 10/01/2019	1,010.12	101 2170200	1,010.12
7414275	D2568	SEQUOIA PACIFIC SOLAR I, LLC	OMP-08/20(27,014 KWH)	2,701.40	101 4634652	2,701.40
7414276	D2568	SEQUOIA PACIFIC SOLAR I, LLC	PAC-08/20(35,528.40 KWH)	3,552.84	101 4650652	3,552.84
7414277	D2568	SEQUOIA PACIFIC SOLAR I, LLC	MTNC YD-08/20(52,049.16 KWH)	5,204.92	101 4633652	5,204.92
7414278	D2568	SEQUOIA PACIFIC SOLAR I, LLC	LMS-08/20(52,474.32 KWH)	5,247.43	101 4632652	5,247.43
7414279	D2568	SEQUOIA PACIFIC SOLAR I, LLC	CH-08/20(88,317.44 KWH)	8,831.74	101 4633652	8,831.74
7414280	03154	SO CA EDISON	8/21-9/22/20 ELECTRIC SERVICE	107.75	482 4636652	107.75
7414281	03154	SO CA EDISON	8/4-10/5/20 ELECTRIC SERVICE	2,801.95	203 4636652 482 4636652 483 4785660 484 4755652	390.54 2,191.14 117.63 102.64
				2,801.95		2,801.95
7414282	03154	SO CA EDISON	08/20-09/28/20 ELECTRIC SVC	9,033.33	101 4240902 101 4632652 101 4633652 101 4634652 101 4650652 210 15SW017924 483 4785660	614.37 2,329.42 2,308.67 1,755.05 1,809.83 67.70 148.29
				9,033.33		9,033.33
7414283	1907	SO CA GAS COMPANY	8/21-9/30/20 GAS SVC	1,091.96	101 4631655 101 4633655 101 4650655 101 4651655 306 4300655	47.83 909.32 67.31 16.90 50.60

# City of Lancaster Check Register



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 From Check Date: 09/27/20 - To Check Date: 10/10/20

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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
				1,091.96		1,091.96
7414284	C2555	TIME WARNER CABLE	09/09-10/08/20 TV SVC TW INV#2021059090920	43.87	101 4315651	43.87
7414285	C2555	TIME WARNER CABLE	09/17-10/16/20 TV SVC TW INV#2630529091720	68.86	101 4315651	68.86
7414286	C2555	TIME WARNER CABLE	09/12-10/11/20 INTERNET SVC TW INV#2921795091220	71.98	306 4300682	71.98
7414287	C2555	TIME WARNER CABLE	09/12-10/11/20 INTERNET SVC TW INV#2921803091220	71.98	306 4300682	71.98
7414288	C2555	TIME WARNER CABLE	08/12-09/11/20 INTERNET SVC TW INV #2921795081220	170.98	306 4300682	170.98
7414289	06576	A V CHEVROLET	CABLE-EQ3833	118.64	203 4752207	118.64
7414290	A5389	A V FAIR	06/20-WATCH & WAGER COMM	1,152.56	101 2189000	1,152.56
7414291	01039	A V FORD LINCOLN MERCURY	KIT/HOSE-EQ3982	19.90	480 4755207	19.90
7414292	00107	A V PRESS	08/20- LEGAL ADS	3,272.29	101 4210263 101 4210263 101 4770263 101 4770263 101 4770263 209 17SD027924 209 17SD027924 210 15BR007924	386.31 386.31 339.39 358.94 385.53 412.89 412.90 590.02
				3,272.29		3,272.29
7414293	06294	A V WEB DESIGNS	NSC-10/20-MONTHLY HOSTING CHGS	99.95	101 4645301	99.95
7414294	L1718	ALEMAN, SHANNON	LCE NEM PAYOUT	247.38	490 4250658	247.38
7414295	C8962	ALTA LANGUAGE SERVICES, INC	LISTENING/SPEAKING TEST	272.00	101 4220301	272.00
7414296	D3147	AMERICAN PLUMBING SERVICES, INC	606 PLUMBING REPAIRS HP-UNCLOG URINAL DRAIN RDP-UNCLG URINAL & FLOOD DRAIN	360.77 150.00 150.00	101 4633402 101 4634402 101 4634402	360.77 150.00 150.00
				660.77		660.77
7414297	04760	AMERINAT	08/20-MONTHLY SERVICE FEE	504.07	306 4342301	504.07
7414298	04190	AMERIPRIDE SERVICES	UNIFORM CLEANING	86.23	101 4753209	86.23
7414299	05251	AMTECH ELEVATOR SERVICES	10/20-ELEVATOR SERVICE	1,051.94	101 4632301 101 4633301 101 4650301	262.99 525.97 262.98
				1,051.94		1,051.94
7414300	C9805	ARROW TRANSIT MIX INC	READY MIX CONCRETE READY MIX CONCRETE READY MIX CONCRETE READY MIX CONCRETE	356.97 523.03 611.72 611.72	203 4752410 203 4752410 203 4752410 203 4752410	356.97 523.03 611.72 611.72

# City of Lancaster Check Register



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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
				2,103.44		2,103.44
7414301	07112	AV ACTION AIR INC	LMS-SOUNDRoom/THERMOSTAT LMS-ELECTRIC ROOM HVAC REPAIR	338.78 1,500.00 <u>1,838.78</u>	101 4632402 101 4632402	338.78 1,500.00 <u>1,838.78</u>
7414302	04151	AXES FIRE INC	NSC-FIRE EXT CERTS(26) TBP-FIRE EXT CERTS(5)	445.84 96.00 <u>541.84</u>	101 4635402 101 4631402	445.84 96.00 <u>541.84</u>
7414303	L1722	BOOZHANOF, MARIA	LCE NEM PAYOUT	8.91	490 4250658	8.91
7414304	06799	BRAUN BLAISING SMITH WYNNE PC	06/20-LEGAL MATTERS 08/20-LEGAL MATTERS	132.50 9,461.09 <u>9,593.59</u>	490 4250303 101 4100303 490 4250303	132.50 305.50 <u>9,155.59</u> 9,593.59
7414305	06992	BREMER WHYTE BROWN & O'MEARA	CLAIM #038-19/CLGL-1404A1 APR 2020 SVCS CLAIM #038-19/CLGL-1404A1 MAY 2020 SVCS CLAIM #038-19/CLGL-1404A1 AUG 2020 SVCS	5,640.05 2,902.37 3,626.00 <u>12,168.42</u>	109 4430300 109 4430300 109 4430300	5,640.05 2,902.37 3,626.00 <u>12,168.42</u>
7414306	06176	C S TECH GROUP, INC	MTNC YD-RPR/RPLC CAMERAS	860.63	101 4315251	860.63
7414307	06020	CANON FINANCIAL SERVICES, INC	08/20 COPIER LEASE	6,467.44 <u>6,467.44</u>	101 2100001 101 4410254	2,135.66 <u>4,331.78</u> 6,467.44
7414308	05412	CARTRAC	08/20-SHOPPING CART RETRIEVAL	3,095.00	203 4752402	3,095.00
7414309	04636	CAYENTA/N HARRIS COMPUTER CORP	09/20-CMS	5,101.00	101 4315302	5,101.00
7414310	L1720	COLEMAN, BRANDON	LCE NEM PAYOUT	66.15	490 4250658	66.15
7414311	05789	CORE & MAIN LP	OMP-COUPPLINGS FOR MAINLINE RPR	812.32	101 4634404	812.32
7414312	D3965	CRAGOE PEST SERVICES, INC	LMS-FIELD SPRAY	775.00	101 4632402	775.00
7414313	07787	DANILO GARDENS APARTMENTS	LCE NEM PAYOUT LCE NEM PAYOUT LCE NEM PAYOUT LCE NEM PAYOUT LCE NEM PAYOUT	274.65 89.18 110.77 885.77 341.84 <u>1,702.21</u>	490 4250658 490 4250658 490 4250658 490 4250658 490 4250658	274.65 89.18 110.77 885.77 341.84 <u>1,702.21</u>
7414314	00414	DESERT LOCK COMPANY	CH-CONTROL KEYS LMS-REKEY(10) CH-TRIFLOW	374.17 60.23 24.31 <u>458.71</u>	101 4633403 101 4632403 101 4633403	374.17 60.23 24.31 <u>458.71</u>
7414315	L1065	DHINSA, JASWINDER	LCE NEM PAYOUT	168.04	490 4250658	168.04

# City of Lancaster Check Register



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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7414316	06421	DIESEL EMISSIONS SERVICE	SERVICE CALL-EQ3828	816.05	484 4752207	816.05
			SERVICE CALL-EQ3769	816.05	203 4752207	816.05
			SERVICE CALL-EQ3826	816.05	203 4752207	816.05
				<u>2,448.15</u>		<u>2,448.15</u>
7414317	08839	DUKE ENGINEERING AND ASSOCS	STP PROJECT ENGINEER CNSLT SVC	5,925.00	101 4631301	5,925.00
7414318	08329	E C S IMAGING INC	20/21 ANNUAL LASERFICHE REVIEW	32,072.00	101 4315302	375.00
					101 4315302	<u>31,697.00</u>
				<u>32,072.00</u>		<u>32,072.00</u>
7414319	06380	EWING IRRIGATION PRODUCTS, INC	LMS-INSECTICIDE/GRUBS	1,226.40	101 4632404	1,226.40
7414320	D3240	FASTENAL COMPANY	BUSINESS SUPPORT KIT	1,312.72	101 4240355	1,312.72
			STAND STRONG PRGRM SUPPLIES	5,299.99	101 4240355	5,299.99
				<u>6,612.71</u>		<u>6,612.71</u>
7414321	D1793	FISH WINDOW CLEANING	CH-WINDOW CLEANING	328.00	101 4633402	328.00
			PAC-WINDOW CLEANING	142.00	101 4650402	142.00
				<u>470.00</u>		<u>470.00</u>
7414322	09787	FLOCK IS, INC.	BNFTS ADMN PEPM-7/1/20-6/30/21	15,066.00	101 4220301	15,066.00
7414323	D4105	FLORES, MONICA	REFUND-DANCE CLASS	37.00	101 2182001	37.00
7414324	L1396	GALVAN, DAVID	LCE NEM PAYOUT	5.59	490 4250658	5.59
7414325	04247	GATOR STEEL MFG & WELDING	LMS-1ST BASE FIELD GATE RPR	485.00	101 4632402	485.00
			LMS-RPLC/RPR PICKETS- EASTSIDE	1,998.00	101 4635402	1,998.00
				<u>2,483.00</u>		<u>2,483.00</u>
7414326	L1719	GERONA, JOHN PAUL	LCE NEM PAYOUT	17.13	490 4250658	17.13
7414327	04721	GET TIRES, INC	SERVICE CALL-EQ3833	714.20	203 4752207	714.20
7414328	L1723	GLIDDEN, LYNN	LCE NEM PAYOUT	59.16	490 4250658	59.16
7414329	08245	GOLDEN STATE LABOR COMPLIANCE	CP2009-PRIME DESERT	1,974.86	232 15ST077924	1,974.86
7414330	07268	HIGH DESERT BROADCASTING	CCP 18/19 DIGITAL HD CYCLE 09/01-09/11/20	450.00	330 4755777	450.00
7414331	L1441	HUSNANI, SHEHZDA	LCE NEM PAYOUT	74.21	490 4250658	74.21
7414332	09070	INSIGHT NORTH AMERICA LLC	08/20-INVESTMENT ADVISORY SRVC	2,923.29	101 3501110	2,923.29
7414333	A2594	INTERSTATE BATTERY SYS OF A V	BATTERIES(7)	836.71	101 4245207	117.80
					101 4633207	123.85
					101 4634207	107.72
					101 4820207	123.85
					203 4752207	123.85
					203 4785207	239.64

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				836.71		836.71
7414334	09369	INTERWEST CONSULTING GROUP INC	08/20-TRAFFIC ENGINEERING SVCS	890.00	210 15BR005924	890.00
7414335	D4004	J P POOLS	NSC-MONTHLY CHECK	400.00	101 4635301	400.00
			NSC-REPAIR	1,200.00	101 4635402	1,200.00
			NSC-REPAIR	600.00	101 4635402	600.00
				<u>2,200.00</u>		<u>2,200.00</u>
7414336	10260	JACKSON, CHRISTINA	REFUND-DANCE CLASS	30.00	101 2182001	30.00
7414337	L0223	JAMES, JO ANN P	LCE NEM PAYOUT	114.69	490 4250658	114.69
7414338	L1661	JARQUIN, JOHN PAUL	LCE NEM PAYOUT	1.94	490 4250658	1.94
7414339	01419	JOHNSTONE SUPPLY	CH-1/2 HP COND FAN	131.25	101 4633403	131.25
7414340	L0234	JONES, CHARLES W	LCE NEM PAYOUT	169.02	490 4250658	169.02
7414341	10261	JUSTO, LYNETTE	REFUND-DANCE CLASS	37.00	101 2182001	37.00
7414342	L1714	KENYON, TERRY	LCE NEM PAYOUT	71.23	490 4250658	71.23
7414343	D1903	KERN MACHINERY INC-LANCASTER	NSC-BOLTS-EQ5616	157.68	101 4635207	157.68
			COVER-EQ5795	25.61	101 4635207	25.61
				<u>183.29</u>		<u>183.29</u>
7414344	A4930	LANDALE MUTUAL WATER COMPANY	L/CHALLENGER-09/20 WATER SVC	59.30	203 4636654	59.30
7414345	L1716	LANGHURST, ROBERTA	LCE NEM PAYOUT	44.08	490 4250658	44.08
7414346	L0272	LITTLE, GREG	LCE NEM PAYOUT	230.03	490 4250658	230.03
7414347	L1152	MEDINA, RICHARD	LCE NEM PAYOUT	188.87	490 4250658	188.87
7414348	02270	MELDON GLASS	606-VANDALISM-WINDOW REPLACMNT	200.00	101 4633402	200.00
7414349	01386	MERRIMAC ENERGY GROUP	UNLEADED(5427)	12,612.20	101 1620000	12,612.20
			DIESEL(1975)	4,554.55	101 1620000	4,554.55
				<u>17,166.75</u>		<u>17,166.75</u>
7414350	L0309	MILLER, ALYSON	LCE NEM PAYOUT	176.03	490 4250658	176.03
7414351	D3578	MINUTEMAN PRESS	LCE-CALPINE PUSH NOTICE(1)	0.96	490 4250213	0.96
			LCE-CALPINE PUSH NOTICES(321)	250.32	490 4250213	250.32
			LCE-CALPINE PUSH NOTICES(284)	175.91	490 4250213	175.91
				<u>427.19</u>		<u>427.19</u>
7414352	08821	MUROW CM	AVE I & SIERRA HWY IMPROVEMNTS	1,000.00	306 4240900I	1,000.00
7414353	08562	NAPA AUTO PARTS	HYDRAULIC FILTER-EQ5795	57.54	101 4635207	57.54
			STARTER ROPE-EQ3999	45.99	203 4752207	45.99

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			V BELT-EQ5609	40.79	101 4635207	40.79
			BEARING-EQ3759	65.72	203 4752207	65.72
				<u>210.04</u>		<u>210.04</u>
7414354	05741	P P G ARCHITECTURAL FINISHES	PAINT SUPPLIES	61.55	203 4752502	61.55
			PAINT SUPPLIES	41.04	203 4752502	41.04
			PAINT SUPPLIES	61.55	203 4752502	61.55
			PAINT SUPPLIES	146.05	203 4752502	146.05
			MLS-PAINT SUPPLIES	102.36	101 4633403	102.36
				<u>412.55</u>		<u>412.55</u>
7414355	05998	PAVING THE WAY FOUNDATION	CMMNTY SPPRT/GOOD CTZNSHP PRGM	500.00	101 4820301	500.00
			CMMNTY SPPRT/GOOD CTZNSHP PRGM	1,968.00	101 4820301	1,968.00
				<u>2,468.00</u>		<u>2,468.00</u>
7414356	L1715	PIMIENTA, JOSE J	LCE NEM PAYOUT	73.09	490 4250658	73.09
7414357	10262	PRITCHETT, CAPRICIA	REFUND-MUSICAL THEATER	100.00	101 2182001	100.00
7414358	06607	PUMPMAN INC	PUMP INSTAL-COOPERSTOWN LFTSTN	3,208.00	480 4755402	3,208.00
7414359	A9382	R H A LANDSCAPE ARCHITECTS	PARKS IMPROVEMENT PLAN	1,710.00	104 4631402	1,710.00
7414360	08119	R N S COMMUNICATIONS INC	DMV ADVERTISING-USED OIL RECYL	3,250.00	331 4755787	3,250.00
			DMV ADVERTISING-BOTTLES&CANS 9/1/20-6/30/21	3,250.00	330 4755777	3,250.00
				<u>6,500.00</u>		<u>6,500.00</u>
7414361	03962	SAFETY KLEEN	AUTOMATIC PARTS WASHER	141.41	101 4753657	141.41
7414362	05934	SHI INTERNATIONAL CORP	RUCKUS ZONEFLEX	2,888.89	101 4315302	2,888.89
			RUCKUS WATCHDOG 20/21	1,204.18	101 4315302	1,204.18
				<u>4,093.07</u>		<u>4,093.07</u>
7414363	1894	SIGNS & DESIGNS	NAMEPLATES-COMMS/ADMIN	124.83	101 4200259	124.83
7414364	01816	SMITH PIPE & SUPPLY INC	IRRIGATIONS SUPPLIES	391.07	101 4633404	391.07
			IRRIGATION SUPPLIES	49.02	101 4633404	49.02
				<u>440.09</u>		<u>440.09</u>
7414365	10016	SOUTHERN CALIFORNIA EDISON	GRANT APP DEP-BATTERY STORAGE	26,562.50	349 4240771	26,562.50
7414366	10189	SPIRAL COMMERCIAL SVCS INC	FLIGHT SUPPORT-SEPT 2020	3,143.90	101 4820301	3,143.90
7414367	1996	STANDARD INSURANCE CO.	09/20-STANDARD INS-POL#166534	18,927.52	101 2166200	2,753.93
					101 2166300	491.81
					101 2166400	5,484.02
					101 2166401	5,842.00
					101 2170215	4,355.76
				<u>18,927.52</u>		<u>18,927.52</u>
7414368	10263	STERGIOUS, AMBER	RFND-DANCE CLASS-10/1-12/10/20	100.00	101 2182001	100.00

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7414369	D3733	STOTZ EQUIPMENT	LMS-TINES	534.56	101 4632404	534.56
7414370	C5522	THOMSON REUTERS-WEST PMT CENT	07/20-INFORMATION CHARGES	433.92	101 4820301	433.92
			07/20-INFORMATION CHARGES	826.79	101 4245301	826.79
				<u>1,260.71</u>		<u>1,260.71</u>
7414371	04239	TIM WELLS MOBILE TIRE SERVICE	TIRES-EQ3758	245.64	203 4752207	245.64
			TIRE REPAIR-EQ3790	30.00	480 4755207	30.00
			REPAIR-EQ4339	20.00	483 4785207	20.00
				<u>295.64</u>		<u>295.64</u>
7414372	08783	UNIFIRST CORPORATION	UNIFORM CLEANING	118.72	101 4755355	8.36
					480 4755209	<u>110.36</u>
				<u>118.72</u>		<u>118.72</u>
7414373	31009	UNIVERSAL ELECTRONIC ALARMS	PAC-09/20-SECURITY ALARM	27.00	101 4650301	27.00
			CH-09/20-SECURITY&FIRE ALARMS	27.00	101 4633301	27.00
				<u>54.00</u>		<u>54.00</u>
7414374	10265	US ART CO, INC	MOAH-ART TRANSPORT	1,775.01	101 4653257	1,775.01
7414375	09039	VALUTEC CARD SOLUTIONS LLC	CARD PROGRAM	11.00	101 4650251	11.00
7414376	L1717	VASQUEZ, JENNIFER	LCE NEM PAYOUT	26.18	490 4250658	26.18
7414377	09590	VIVINT INC	PS-SMRT HME SVC-09/25-10/24/20	73.53	101 4820301	73.53
7414378	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	128.66	203 4752410	128.66
			ASPHALT	127.84	203 4752410	127.84
			COLD MIX	129.48	203 4752410	129.48
			ASPHALT	1,826.35	203 4752410	1,826.35
			COLD MIX	131.13	203 4752410	131.13
				<u>2,343.46</u>		<u>2,343.46</u>
7414379	C8348	WASSON ROOFING & GEN CNTRTNG	REPLACE ROOF-43028 GUYMAN	2,884.00	306 4300682	2,884.00
7414380	31026	WAXIE SANITARY SUPPLY	MLS-JANITORIAL SUPPLIES	171.28	101 4633403	171.28
7414381	L1721	WHISENHUNT JR, ROBERT L	LCE NEM PAYOUT	118.12	490 4250658	118.12
7414382	09201	XEROX FINANCIAL SERVICES LLC	08/27-09/26/20 LEASE PAYMENT	765.61	101 4410254	765.61
7414383	01933	AMERON	REPLACEMENT POLES-TRAFFIC COLL	67,995.68	483 4785460	67,995.68
7414384	05804	ITERIS, INC	ANNUAL CAMERA REPLACEMENT VEHICLE DETECTION SYSTEM	92,664.38	211 4785763	92,664.38
			ANNUAL CAMERA REPLACEMENT VEHICLE DETECTION SYSTEM	50,383.14	211 4785763	50,383.14
				<u>143,047.52</u>		<u>143,047.52</u>

Chk Count 225

Check Report Total 4,313,306.78

**STAFF REPORT**  
**City of Lancaster**

CC 3
10/27/20
JC

Date: October 27, 2020  
To: Mayor Parris and City Council Members  
From: George N. Harris II, Finance Director  
Subject: **Monthly Report of Investments – September 2020**

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**Recommendation:**

Accept and approve the September 2020 Monthly Report of Investments as submitted.

**Fiscal Impact:**

None

**Background:**

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City’s Comprehensive Annual Financial Report.

Portfolio Recap

Yield:

	<u>September 2020</u>	<u>August 2020</u>
Total Portfolio	1.50%	1.49%
Local Agency Investment Fund	0.69%	0.78%
Total Portfolio Balance:	\$71,190,298	\$73,722,283

The portfolio balance decreased from August to September by \$2,531,985 or 3.2%. Significant revenues for September included \$1,870,232 Sales & Use Tax, \$1,812,097 from various Grants, \$518,278 Proposition A & C, and \$375,184 MTA Measure M&R. The largest City expenditures were \$2,409,045 LA County Sheriff for July 2020 law enforcement services, \$2,473,353 Payroll & Benefits, and \$1,649,272 for Capital Projects.

The City’s temporary idle cash, those funds that are not immediately needed to pay current bills and not governed by bond indentures or bond resolutions, is invested in accordance with the City’s adopted Investment Policy. This policy is reviewed regularly by the City Council, with the latest policy adopted February 13, 2018, by Resolution No. 18-06.

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible within the guidelines of this Investment Policy. The City attempts to achieve the highest yield obtainable through a diversified portfolio only after meeting the criteria established for safety and liquidity in that order. The principal investment objectives of the City are:

1. Preservation of capital and protection of investment principal;
2. Maintenance of sufficient liquidity to meet anticipated cash flows;
3. Attainment of a market rate of return;
4. Diversification to avoid incurring unreasonable market risks, and;
5. Compliance with the City's Municipal Code and with all applicable City resolutions, California statutes and Federal regulations.

The City's portfolio is a short-term and intermediate-term fixed income portfolio. The maximum maturity of any investment is 5 years, with consideration of anticipated cash flow requirements and known future liabilities. The City contracts with an investment advisory service (Insight Investment) to assist in the effort to maximize the returns of the City portfolio. The City's investments include publicly traded Treasury notes, Treasury Bills, Federal Agency Investments, Time Deposits, and Local Agency Investment Fund (LAIF) under the auspices of the State Treasurer for investment. Funds invested in LAIF are available within 24 hours, and other investments are available upon maturity at full face value. These investments enable the City to meet its expenditure requirements for the next six months, as required by state law.

The City's investment procedures are governed by Sections 53600 et. seq. of the California Government Code. Additional requirements have been placed on the City's authorized investments by the Investment Policy (a copy is available in the Finance Department or from the City Clerk), and all investments listed on the attached report adhere to these requirements.

GH:MA

**Attachment:**

Monthly Report of Investments

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
September 30, 2020**

- (1) This is the actual City bank account balance as of 9/30/2020. It only reflects checks that have been presented for payment and deposits received by the bank. The balance on deposit per the City books would reflect reductions for all checks and warrants issued and all deposits transmitted.
- (2) This is the safekeeping account utilized for investing City funds pursuant and consistent with the investment policy adopted 02/13/2018. The current portfolio consists of treasury notes, government agencies, corporates, and CDs.
- (3) Pooled Portfolio:

	<u>% of Portfolio</u>	<u>Policy Limit</u>
Cash	16.45%	None
CDs	0.25%	25% of total portfolio
Commercial Paper	0.00%	25% of total portfolio
US Treasury	23.20%	None
Federal Securities	20.02%	None
Corporate Securities	19.04%	30% of total portfolio
Municipal/Provincial	4.98%	None
LAIF	16.06%	None

- (4) These are restricted cash and investments are held in trust by the banks indicated. These amounts cannot be pooled for other investing.

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
30-Sep-20**

	<b>Interest Rate</b>	<b>Amount</b>
<b><u>City of Lancaster</u></b>		
<b>Wells Fargo Bank</b>		
City of Lancaster Account (note 1)	0.00%	\$10,008,189
<b>U S Bank - Safekeeping (note 2)</b>		
US Treasury Notes	2.61%	\$14,125,338
Federal Government Agencies	1.65%	\$12,188,249
Corporate Securities	2.71%	\$11,589,107
Cash & Equivalents	0.00%	\$7,387
<b>Chase Bank</b>		
Certificate of Deposit	0.01%	\$150,949.51
<b>Local Agency Investment Fund (L.A.I.F.)</b>	0.69%	\$9,773,611
<b>Total City of Lancaster</b>		
<b>Successor Agency for the Lancaster Redevelopment Agency</b>		
<b>Local Agency Investment Fund (L.A.I.F.)</b>	0.69%	\$10,315,921
<b>Total Lancaster Successor Agency</b>		
<b>Total Pooled Portfolio (note 3)</b>		
<b>Weighted Average</b>	<b>1.50%</b>	

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
30-Sep-20**

	<b>Interest Rate</b>	<b>Amount</b>
<b>River City Bank</b>		
Lancaster Choice Energy LockBox Account	<b>0.00%</b>	\$6,459,236
CCEA Cash Collateral Account	<b>0.90%</b>	\$513,244
CCEA Operating Account	<b>0.00%</b>	\$1,719,907
<b>The Bank of New York Mellon Trust Company, N.A.</b>		
LRA & LA County Escrow Account - Government Bonds	<b>0.00%</b>	\$1,483,822
<b>US Bank</b>		
CFD 89-1 1990 Special Bonds	<b>0.04%</b>	\$52
LFA CFD 89-1 1997 Special Bonds	<b>0.04%</b>	\$8
LFA L O BONDS 1997 SERIES A & B	<b>0.04%</b>	\$523,482
LRA Combined 2004 Fire Protection Facilities Project Bonds	<b>0.04%</b>	\$859,065
LRA Combined 2004 Sheriff Facilities Prjct Refunding Bonds	<b>0.04%</b>	\$1,814,781
LRA Public Capital Facilities 2010 Project Lease Revenue Bonds	<b>0.04%</b>	\$414,601
LPA Solar Renewable Energy Issue of 2012A	<b>0.04%</b>	\$2,287,557
SA Combined Project Areas Refunding Bonds 2015A & B	<b>0.04%</b>	\$84
SA Combined Project Areas Refunding Bonds 2016 A-1 & A-2	<b>0.04%</b>	\$112
SA Combined Project Areas Refunding Bonds 2016B	<b>0.04%</b>	\$11
LFA 2016 Assessment Revenue Bonds (Streetlights Acquisition)	<b>0.04%</b>	\$15
SA 2017 Tax Allocation Revenue Bonds (TARB)	<b>0.04%</b>	\$68
LFA LRB 2018 Construction and Improvements	<b>0.04%</b>	\$15,389,071
LFA 2018 Lease Revenue Bonds	<b>0.04%</b>	\$57
LFA LRB 2019 Street Improvements	<b>0.04%</b>	\$55,607,618
<b>Total Restricted Cash/Investments Held in Trust</b>		<b>\$76,896,582</b>
<b>Total Restricted Cash/Investments Held in Trust (note 4)</b>		<b>\$76,896,582</b>

All investments are authorized pursuant to and consistent with the investment policy of the City of Lancaster. Policy adopted 02/13/18 under resolution number 18-06.

George N. Harris II  
Finance Director

**Total**

**\$10,008,189**

**\$40,941,627**

**\$150,950**

**\$9,773,611**

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**\$60,874,377**

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**\$10,315,921**

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**\$10,315,921**

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**\$71,190,298**

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**Total**

**\$8,692,387**

**\$1,483,822**

**\$76,896,582**

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**\$87,072,790**

City of Lancaster  
Cash Balances by Fund  
September 30, 2020

Fund No.	Fund Name	Ending Balance	Fund No.	Fund Name
101	GENERAL FUND	\$ 6,013,579	323	STATE GRANT - STPL
104	CAPITAL REPLACEMENT FUND	\$ 960,596	324	STATE GRANT - OTS
106	COMMUNITY SERVICES FOUNDATION	\$ 113,170	330	STATE GRANT RECYCLING
109	CITY SPECIAL RESERVES FUND	\$ 17,986,902	331	STATE GRANT - OIL RECYCLING
150	CAPITAL PROJECTS FUND - CITY	\$ (1,342,371)	349	MISC STATE GRANTS
203	GAS TAX	\$ (3,863,209)	361	CDBG
204	AQMD	\$ (39,785)	363	NBRHD STABILIZATION PRGM
205	PROP 1B	\$ 142,621	364	HPRP-HOMELESS PREV & RAPID REH
206	TDA ARTICLE 8 FUND	\$ 6,122,329	391	LANCASTER HOME PROGRAM
207	PROP "A" TRANSIT FUND	\$ 3,591,015	399	FEDERAL MISCELLANEOUS GRANTS
208	TDA ARTICLE 3 BIKEWAY FUND	\$ 39,159	401	AGENCY FUND
209	PROPOSITION "C" FUND	\$ 4,266,882	402	PERFORMING ARTS CENTER
210	MEASURE R FUND	\$ 2,034,498	404	GRANTS FUND
211	MEASURE M FUND	\$ 2,232,911	408	X-AEROSPACE GRANTS FUND
212	MEASURE A FUND	\$ (822,306)	456	STILL MEADOW LN SWR ASSMNT DST
213	PARKS DEVELOPMENT FUND	\$ 565,951	480	SEWER MAINT FUND
217	SIGNALS - DEVELOPER FEES FUND	\$ 1,852,011	482	LANDSCAPE MAINTENANCE DISTRICT
220	DRAINAGE - DEVELOPER FEES FUND	\$ 4,536,286	483	LIGHTING MAINTENANCE DISTRICT
224	BIOLOGICAL IMPACT FEE FUND	\$ 618,406	484	DRAINAGE MAINTENANCE DISTRICT
226	USP - OPERATION	\$ 2,569	485	RECYCLED WATER FUND
227	USP - PARKS	\$ 1,150,677	486	LANCASTER POWER AUTHORITY
228	USP - ADMIN	\$ 34,911	490	LANCASTER CHOICE ENERGY
229	USP - CORP YARD	\$ 160,926	491	CALIFORNIA CHOICE ENERGY AUTH
230	MARIPOSA LILY FUND	\$ 62,733	701	LANCASTER FINANCING AUTHORITY
232	TRAFFIC IMPACT FEES FUND	\$ 1,019,456	810	ASSESSMENT DISTRICT FUND
233	DEVELOPER IN LIEU	\$ 106,700	811	AD 93-3
248	TRAFFIC SAFETY FUND	\$ 228,895	812	AD 92-101
251	ENGINEERING FEES	\$ 50	830	CFD 89-1 EASTSIDE WATER FUND
252	PROP 42 CONGESTION MANAGEMENT	\$ 48,252	831	CFD 90-1 (BELLE TIERRA)
261	LOS ANGELES COUNTY REIMB	\$ (117,506)	832	CFD 91-1 (QUARTZ HILL)
301	LANCASTER HOUSING AUTH. OPS.	\$ 1,862,660	833	CFD 91-2 (LANC BUSINESS PARK)
306	LOW & MOD INCOME HOUSING	\$ 7,638,221	991	REDEV OBLIGATION RETIREMENT FD
321	MTA GRANT - LOCAL	\$ 918,649		
				<b>Total Cash Balance</b>

\* Variance from portfolio balance due to deposits in transit and outstanding checks at month end

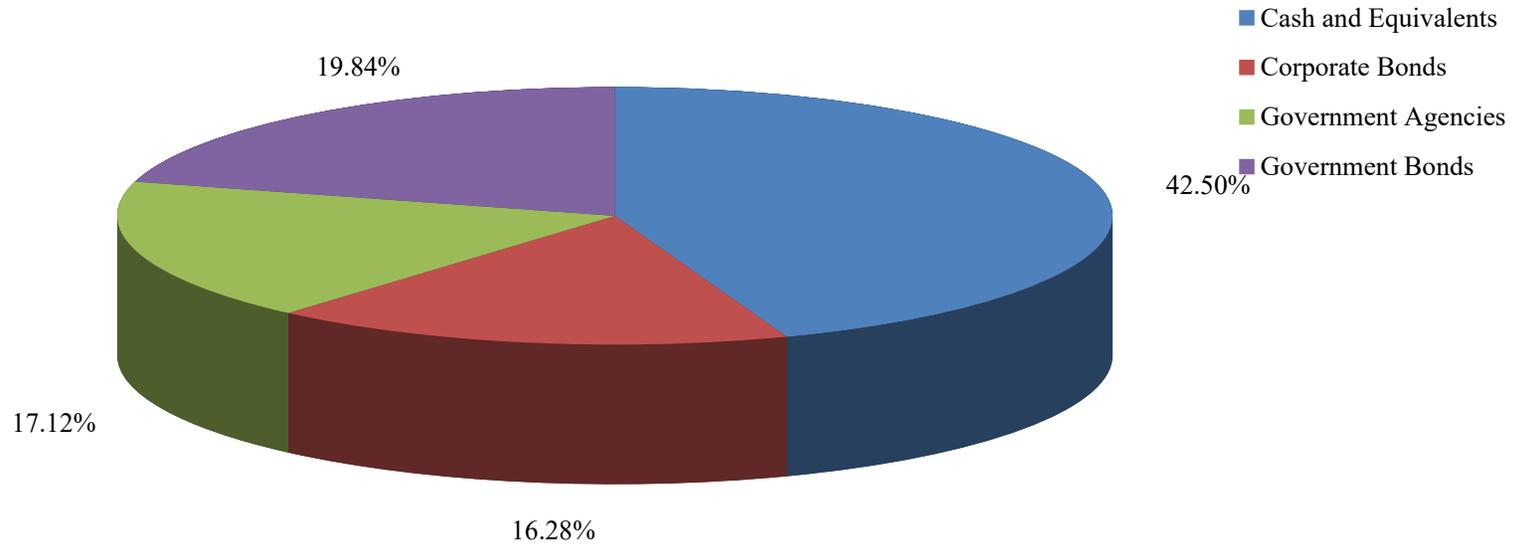
City of Lancaster  
Cash Balances by Fund  
September 30, 2020

	<u>Ending Balance</u>
\$	(5,279)
\$	(5,389)
\$	172,330
\$	42,105
\$	(4,382,975)
\$	(687,342)
\$	2,635,954
\$	-
\$	899,401
\$	(1,555,454)
\$	72
\$	-
\$	-
\$	-
\$	13,523
\$	3,336,007
\$	1,355,473
\$	1,271,678
\$	1,936,424
\$	90,495
\$	3,757,649
\$	6,819,083
\$	323,751
\$	(3,706,705)
\$	154,596
\$	-
\$	202
\$	233,116
\$	-
\$	542
\$	-
\$	11,018,964
\$	<b>81,844,056</b>

**City of Lancaster  
Recap of Securities Held  
September 30, 2020**

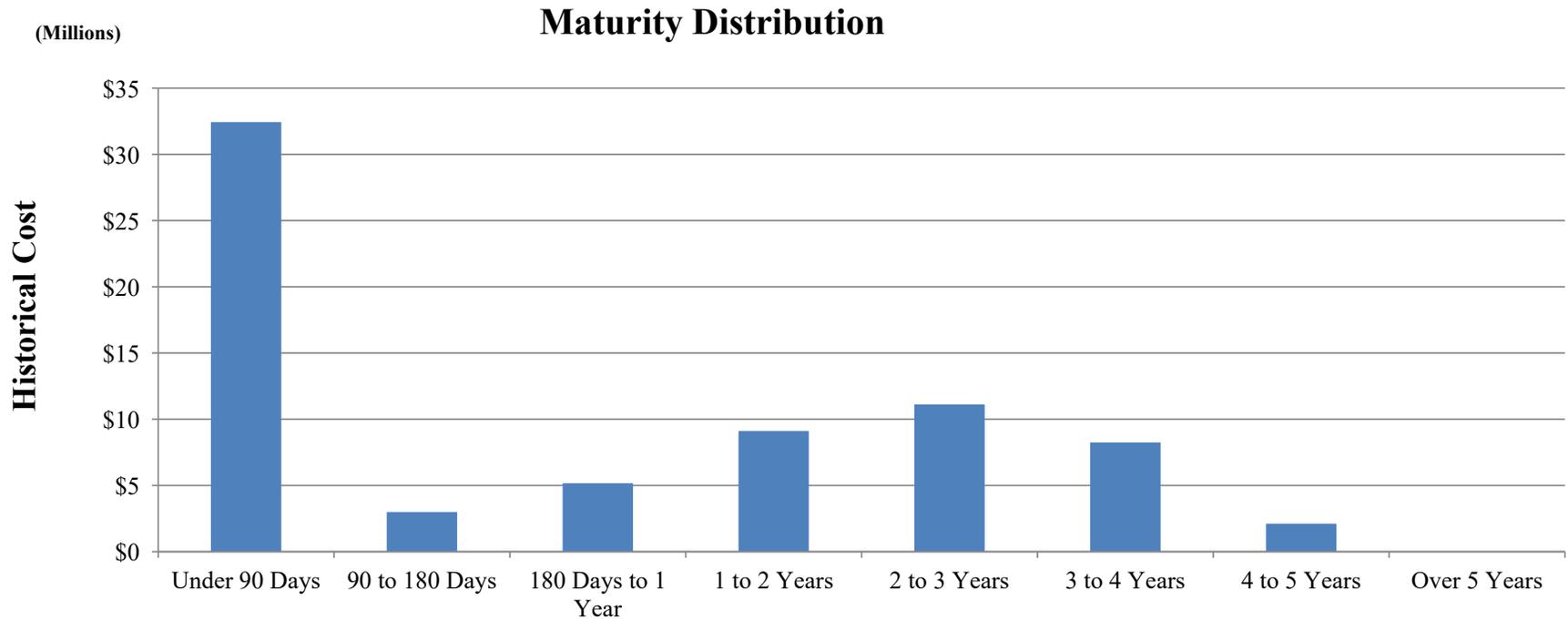
	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Effective Maturity	% Portfolio/ Segment	Weighted Average Market Duration
Cash and Equivalents	\$30,256,058	\$30,256,058	\$30,256,058	\$0	1	42.50%	0.00
Corporate Bonds	\$11,589,107	\$11,548,956	\$11,741,116	\$192,160	711	16.28%	1.82
Government Agencies	\$12,188,249	\$12,151,027	\$12,288,487	\$137,460	989	17.12%	1.96
Government Bonds	\$14,125,338	\$14,062,847	\$14,447,202	\$384,355	519	19.84%	1.39
Municipal/Provincial Bonds	\$3,031,545	\$3,021,457	\$3,062,970	\$41,513	1,063	4.26%	2.86
<b>TOTAL</b>	<b>\$71,190,298</b>	<b>\$71,040,344</b>	<b>\$71,795,833</b>	<b>\$755,489</b>	<b>753</b>	<b>100.00%</b>	<b>1.79</b>

**Portfolio Diversification**



City of Lancaster  
Maturity Distribution  
September 30, 2020

Maturity	Historical Cost	Percent
Under 90 Days	\$32,432,801	45.56%
90 to 180 Days	\$2,996,496	4.21%
180 Days to 1 Year	\$5,171,034	7.26%
1 to 2 Years	\$9,109,112	12.80%
2 to 3 Years	\$11,118,038	15.62%
3 to 4 Years	\$8,248,433	11.59%
4 to 5 Years	\$2,114,383	2.97%
Over 5 Years	\$0	0.00%
	<b>\$71,190,298</b>	<b>100.00%</b>

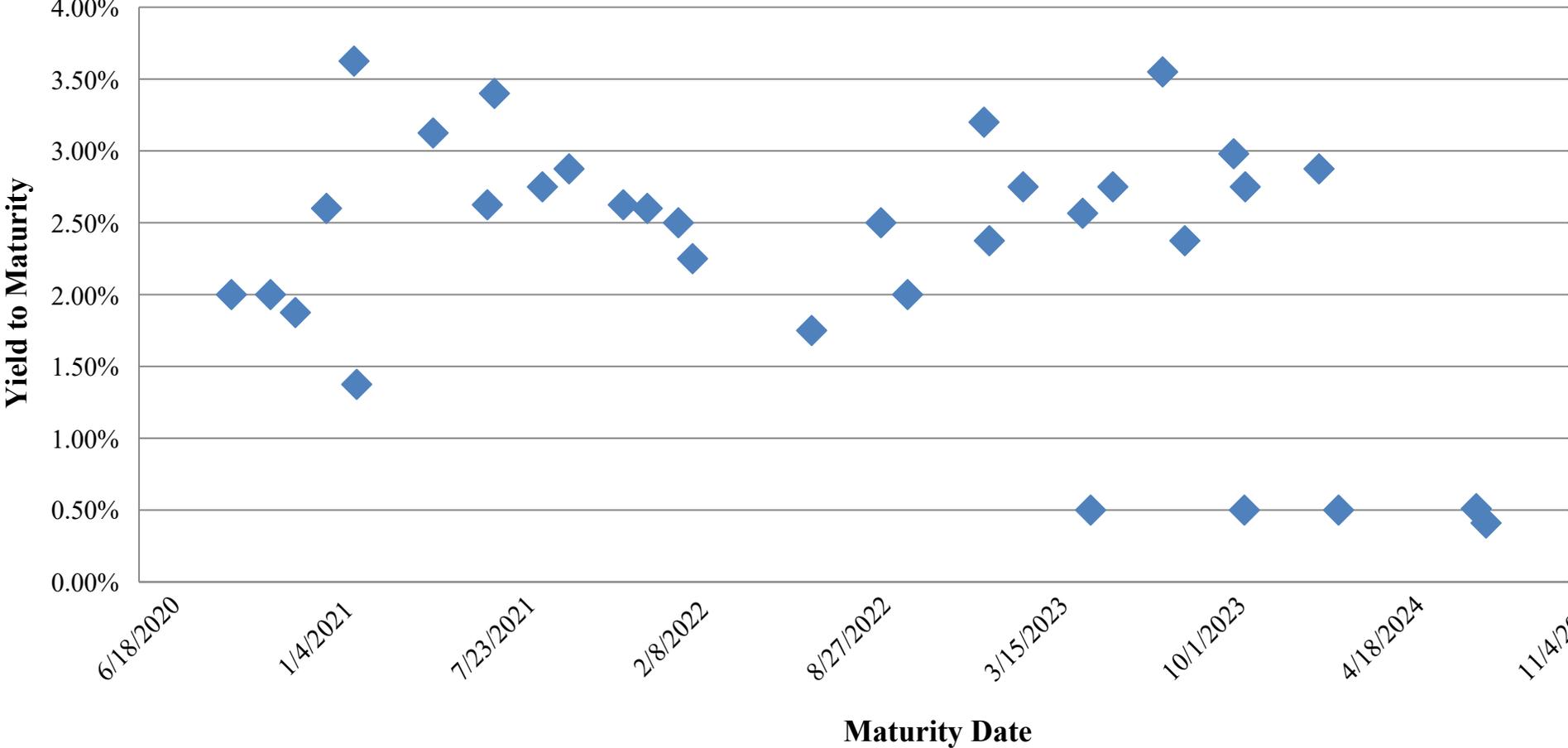


City of Lancaster

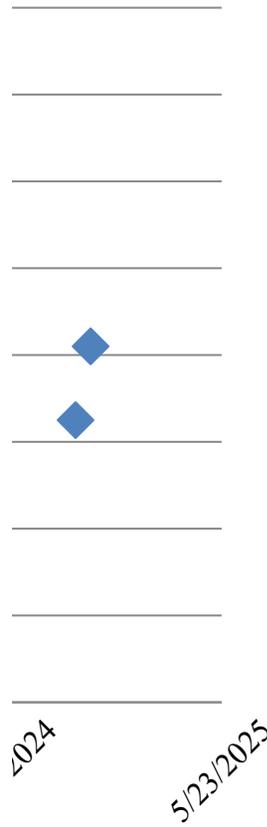
September 30, 2020

City of Lancaster  
Securities Held  
September 30, 2020

### Securities Held



City of Lancaster  
Securities Held  
September 30, 2020



**STAFF REPORT**  
**City of Lancaster**

CC 4
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Task Order No. 1 under Revive 25 Pavement Management Program Consulting Services Agreement for Pavement Evaluation and Design Services for 2021 Summer Pavement Management Program (Reference PWCP 21-009)

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**Recommendation:**

Approve Task Order No. 1 with Pavement Engineering, Inc., of Santa Clarita, California, in accordance with the Professional Consultant Services Agreement for Revive 25 Pavement Management Program Consulting Services in the amount of \$335,870.00 with a 10% contingency; and authorize the City Manager, or his designee, to sign all documents.

**Fiscal Impact:**

\$369,457.00 (including 10% contingency); sufficient funds are available in Capital Improvements Budget Account Number 701-12ST046 -924.

**Background:**

On April 24, 2018, Council approved the award of a Professional Services Agreement to Pavement Engineering, Inc., of Santa Clarita, California for citywide pavement evaluation and analysis.

On August 17, 2020, the Agreement was amended to extend Pavement Management System support, and to authorize “on-call”, project specific (Task Order), pavement evaluation and treatment recommendation services.

The proposed project is a part of the second phase of road bond funded, road rehabilitation projects, and will include the design of twenty-nine (29) lane miles of roadway treatment at the following locations:

1. Avenue J – 10<sup>th</sup> Street West to Challenger Way
2. Division Street – Avenue I to Avenue J

3. Avenue M – Sierra Highway to 4<sup>th</sup> Street East
4. 15<sup>th</sup> Street West – Avenue J-8 to Youngblood Place
5. 25<sup>th</sup> Street West – Avenue K-8 to Avenue L
6. 20<sup>th</sup> Street West – Avenue K to Avenue L

Design responsibilities, under this Task Order, include performing pavement evaluations and providing pavement treatment recommendations, alternatives, and “for construction” exhibits. Staff anticipates that the design phase of the project will be complete by Spring 2021 with construction in the Fall of 2021.

AL:gb

**Attachment:**

Task Order No. 1

TASK ORDER NO. 1  
OVER

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES UNDER REVIVE 25  
PAVEMENT MANAEMENT PROGRAM

DATED APRIL 24, 2018

BETWEEN

THE CITY OF LANCASTER, "OWNER"  
AND  
PAVEMENT ENGINEERING, INC. "CONSULTANT"

PROJECT TITLE: 2021 Summer Pavement Management Program (Reference  
PWCP 21-009)

PROJECT DESCRIPTION: Geotechnical Services: Pavement Evaluation and  
Treatment Recommendations

SCOPE OF WORK: Per Attached Exhibit "1", Scope of Services

PERIOD OF SERVICES: Per Attached Exhibit "2", Schedule

COMPENSATION FOR SERVICES: Per Fee Schedule – Not to Exceed \$335,870.00

PROJECT MANAGER: Anna Leonard

"OWNER"

"CONSULTANT"

CITY OF LANCASTER

PAVEMENT ENGINEERING, INC.

By \_\_\_\_\_  
Jason Caudle  
City Manager

By \_\_\_\_\_  
Joseph L. Ririe, P.E.  
President

Date \_\_\_\_\_

Date \_\_\_\_\_

Approved by Dept. Head: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Allison E. Burns, Esq.  
City Attorney

EXHIBIT “1”

SCOPE OF SERVICES

The work to be performed under this task order shall include:

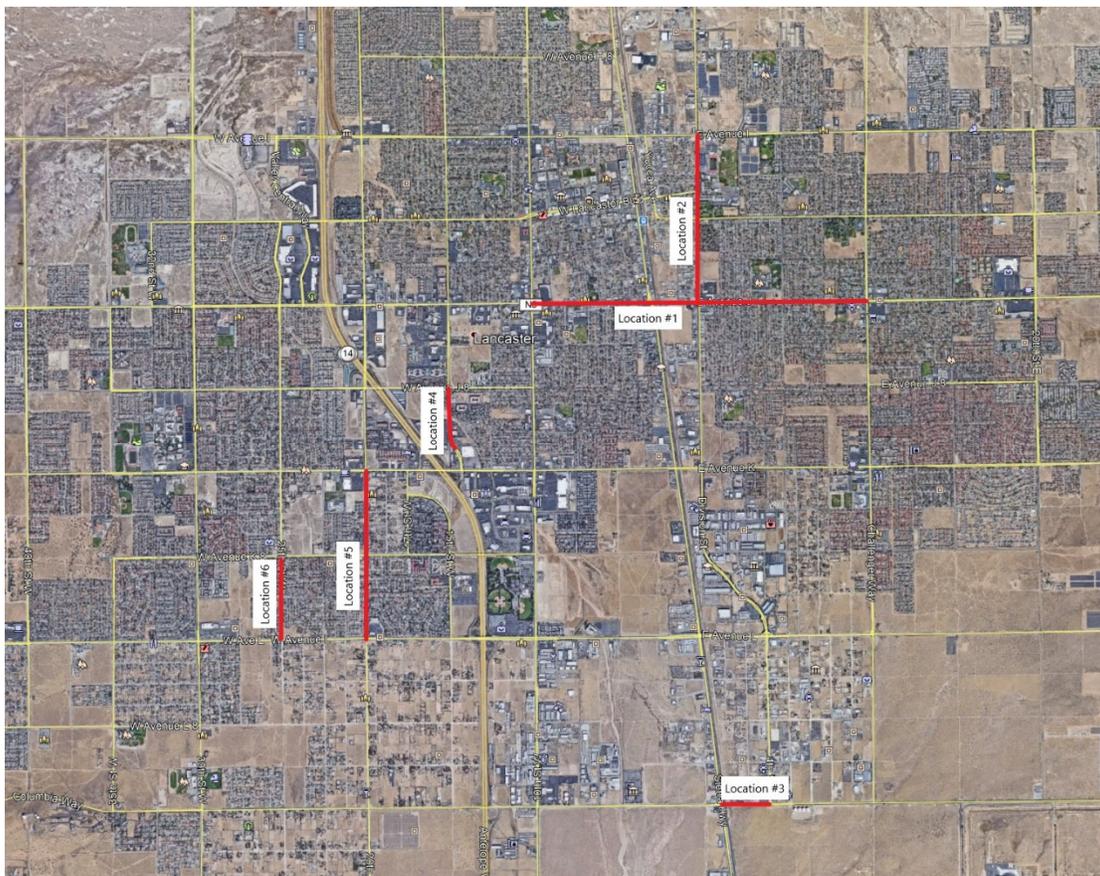
- A. Task Order 1 – Scope of Services

## EXHIBIT 1: SCOPE OF SERVICES

### PROJECT DESCRIPTION AND LOCATION

Under the Pavement Management Program, the City will perform preventative maintenance treatments, rehabilitate, and/or reconstruct roads, as conditions warrant, for the locations included as part of the 2021 Summer Pavement Management Program (PMP). The Consultant shall perform pavement evaluation studies, provide final pavement recommendations, prepare diagrammatic construction exhibits and details, and/or provide other PMP information necessary for the preparation of bid specifications and probable cost of construction estimates for the locations included in this Task Order.

### PROJECT MAP



The 2021 Summer Pavement Management Program (PMP) includes six project locations:

1. **Avenue J – 10<sup>th</sup> Street West to Challenger Way** (11.8 Lane Miles; 10,600 LF)
2. **Division Street – Avenue I to Avenue J** (5.3 Lane Miles; 5,200 LF)
3. **Avenue M – Sierra Highway to 4<sup>th</sup> Street East** (1.3 Lane Mile; 1,500 LF)
4. **15<sup>th</sup> Street West – Avenue J-8 to Youngblood Place** (1.6 Lane Miles; 1,700 LF)
5. **25<sup>th</sup> Street West – Avenue K-8 to Avenue L** (2.5 Lane Miles; 2,600 LF)
6. **20<sup>th</sup> Street West – Avenue K to Avenue L** (6.5 Lane Miles; 5,300 LF)

These six project locations include approximately 204,864 SY (29.0 Lane Miles) of roadways that will be improved as part of this project.

One of the primary goals of the road improvements will be to extend the life of the roads by 7-10 years, so proposed treatments should include a combination of strategic dig outs with thin overlays (1.5" – 3"), Cold-In-Place Recycling with thin overlays, Full-Depth Reclamation, if necessary, or equivalent treatments. Construction budget for the 2021 Summer PMP is \$6.50 million dollars (including contingency and construction engineering).

## **GENERAL SCOPE OF SERVICES AND SCHEDULE**

The general scope of services includes:

- Project Management, Progress Meetings and Coordination with City staff
- Field Investigation & Geotechnical Services
- "For Construction" Exhibits and Additional Drafting Services
- Quality Assurance/Quality Control

Milestone tasks and tentative schedule are included in Exhibit 2. City is committed to providing comments on plans within 2 weeks after submittal(s). **Please note that final approved plans for bidding need to be completed, signed and submitted to the City no later than April 13, 2021.**

## **ITEMS TO BE PROVIDED BY THE CITY**

The City will provide all record drawings of city-owned facilities. Although preliminary AutoCAD files may be provided, the Consultant will be required to deliver final exhibits in a format that adheres to the current City of Lancaster Standards for CAD Deliverables. The Consultant shall be responsible for verifying the information on the plans provided are accurate. Additionally, the City will provide a list of known concrete repairs, to be noted on the plans.

## **DESIGN STANDARDS AND CONSULTANT EXPECTATIONS**

The proposed improvements shall, at a minimum, follow the City of Lancaster Engineering Design Guidelines Policies and Procedures Manual. Wherever the City guidelines are absent of the latest industry updates, standards or details, Consultant shall utilize the latest Standard Specifications and Plans for Public Works Construction ("Green Book"), the Los Angeles County Department of Public Works Design Standards and Caltrans Standards. Wherever there is a conflict in design standards, Consultant shall submit a clarification in writing to the City Project Manager for direction and approval. In most cases, the more stringent design standards shall apply. Consultant shall refer to Detailed Scope of Work herein.

## **DETAILED SCOPE OF WORK**

### **TASK 1 PROJECT MANAGEMENT AND COORDINATION**

Perform all project management, scheduling, quality control, and quality assurance tasks necessary to maintain the project schedule, budget, and a high-quality set of deliverables to the City. Consultant will maintain a project schedule and provide weekly project status reports throughout the duration of the project. Consultant shall notify the City Project Manager of any scope, schedule or budget issues that may arise.

Coordination of meetings necessary for the work. For purposes of this proposal, please assume that there will be four (4) in-person or video conference meetings including:

- One project kick-off meeting
- One meeting to discuss pavement recommendations
- One meeting to discuss preliminary diagrammatic exhibits
- One meeting to discuss 90% diagrammatic exhibits

Consultant shall organize up to two (2) additional meetings to complete the project. Additional meetings may include meeting with other agencies such as utility companies or neighboring municipalities (if necessary).

Consultant shall coordinate and work with the following City Divisions during design: Capital Engineering Division (primary), City Engineering Division (Traffic Engineering Section), Public Works Division, and Utility Services Division. Any correspondence between Consultant and City employees, other than the City Project Manager, shall be copied same day to the City Project Manager.

Consultant must provide quality assurance and control of exhibits, special provisions for pavement treatments, and estimates prior to each submittal. The Consultant shall verify that no unsafe design changes have been made or proposed, geometric layout matches existing, improvement goals are being met, economy of project is maintained, there are no conflicts between trades, and construction integrity of the design is ensured.

### **TASK 2 PAVEMENT ANALYSIS & PRELIMINARY ENGINEERING**

The purpose of this task is to gather and confirm all necessary information, either from field measurements or existing archives to facilitate the design and development of the project's contract documents. The end result of this task is to develop a concept level budget for each project that can be used to refine the project to fit the City's anticipated construction budget.

#### **2.1 Pavement Evaluation Services**

The field-testing portion of the work consists of deflection testing and coring the pavement to determine the asphalt layer thickness. Deflection tests will be performed at 100-foot maximum

intervals in each travel lane. Coring will be performed at 500-foot maximum intervals over the street segment. The deflection analysis will be performed in general accordance with CTM 356. Mechanical coring methods will only be permitted in the AC layer. Any subsurface exploration beyond the AC layer must be accomplished manually. Pre-marking the coring locations and coordination with Underground Service Alert is excluded from the work. Moving traffic control will be provided by a follow vehicle with flashing lights. Flagging will be provided as necessary. The City of Lancaster will provide the traffic index.

To assist with the evaluation, the Consultant will measure the full structural section (AC & AB) at each core location. The Consultant will also collect native soil samples that will be used to determine the R-value.

The following is an outline of the work:

- Coordination with the City Project Manager regarding the scope and schedule of Consultant's work and select location for pavement and subsurface explorations
- Coordination with City Engineering Traffic Engineering Section prior to the start of work and implementation of an approved Temporary Traffic Control Plan (TTCP). Consultant shall provide traffic control in accordance with the latest California MUTCD.
- A no fee encroachment permit shall be obtained from the City of Lancaster prior to the start of geotechnical work.
- Completion of pavement testing and subsurface sampling of the existing pavement section and subgrade at pertinent locations, to be determined by the Consultant, to support pavement treatment recommendations. Existing base course and/or subgrade samples shall be collected manually (water, air, and/or vacuum extraction shall not be permitted).
- Observations, field testing and sampling performed during pavement evaluation study shall be documented in field logs and included in the final report. Subgrade soil samples will be collected for lab testing. Collection of samples may require the use of a hand auger in order to obtain a sufficient amount of material to perform the testing. Laboratory test data shall be included in the final report.
- In paved areas, base material and pavement shall be immediately replaced/repared following completion of field exploration to minimize mobilization and traffic control costs. Hot mix asphalt or Caltrans Set 45 (or equal) shall be used for pavement repair.
- Prepare a report providing pavement treatment recommendations based on deflection testing, subsurface exploration and laboratory test results in accordance with the City's Engineering Design Guideline Policies & Procedures Manual. The report will be presented during the Concept Level Budget Meeting.

## **2.2 Measure Field Quantities**

The consultant will physically walk each of the project streets to measure and record all pertinent field quantities, including the limits of paving transitions, digouts, and other pavement repairs; and the total area of pavement to be resurfaced.

The City will provide a list of known concrete repairs, such as sidewalk, curb and gutter, cross gutter, and curb ramp repairs, adjacent to the project. The consultant will identify any additional concrete repairs or tree root damage during the field reviews, note it and bring it to the City's attention to determine if the repairs should be added to the contract.

Consultant shall conduct surface identification of all utilities located at project locations. Consultant shall utilize as-built drawings, and/or aerial and street-view imagery to ensure that all visible utility manholes and valves located within the roadway are indicated on the exhibits.

## **2.3 Concept Level Budget Analysis and Meeting**

After the site investigations and analysis outlined in Phases 2.1 and 2.2 are complete, the consultant will meet with the City to review the gathered information. As part of the meeting, we will review preliminary cost information for each viable option for the street segment and a life cycle cost analysis (LCCA) to assist the City in selecting the most cost effective and constructible options for the project street. The analysis will include a summary for each project.

As part of our meeting, the consultant will also discuss any drainage issues that are observed to determine if/ how to implement the needed improvements.

This meeting will be where critical decisions are made about how far the budget can be stretched. At the conclusion of this meeting, the consultant and the City will have a clear understanding about the specific design approach that will be implemented for the project. This meeting will be considered the 30% submittal.

## **TASK 3 PREPARE DIAGRAMMATIC "FOR CONSTRUCTION" EXHIBITS**

Consultant shall prepare "for construction" exhibits and details for the project, which shall illustrate the work necessary to bid and construct the improvements described in this Task Order; and shall provide quantities of each individual item and treatment that would be included in the construction bid schedule. The exhibits shall illustrate joining to existing curbs or AC edge of pavement and flow line. The Consultant shall make all submittals in electronic (editable CAD and PDF) copies on disk or through FTP site. The following submittals are envisioned for the completion of the design: Preliminary (60%), 90%, and Final (100%).

Exhibits shall be diagrammatic in nature, shall contain sufficient detail for the Contractor to execute pavement treatments, and shall be prepared and submitted in accordance with the City's Standard for CAD Deliverables. While exhibits will be to scale, they are not intended to be

“engineered” drawings, nor require survey. It is anticipated that these exhibits will utilize aerial photos, parcel map and/or as-built drawings as the base for proposed construction.

In areas where this project may encroach with other Capital Improvement Program (CIP) Projects, Consultant shall coordinate and document on plans, as needed, to clearly indicate what work is to be constructed under PWCP 21-009. This includes clearly showing the limits of work on the exhibits and confirming that the limits do not overlap with the limits of the other projects.

Anticipated projects include:

- PWCP 19-002 – 10<sup>th</sup> Street West and Avenue J Improvements
- PWCP 21-014 (formerly 16-008) – Pedestrian Gap Closure Improvements
- PWCP 21-006 (formerly 13-018) – Ave K Interchange Project
- City of Palmdale Avenue M Project

The following sheets are anticipated to be included in the Exhibits:

- a. Title Page - Includes project information, vicinity map, location map, benchmark, table of contents, and City and utility contact information.
- b. Notes - Contains standard notes, legend, and abbreviations.
- c. Sections and Details - Contains typical roadway sections, layouts, and details for work described on the exhibits. Details may include pavement section details, join details, drainage details, and/or utility adjustment details.
- d. Pavement Treatment Pages – Pavement treatment pages shall be diagrammatic in nature and shall contain sufficient detail for the Contractor to execute recommended pavement treatments. Pages shall be prepared at a standard scale, best suited to the scope of the project and shall follow the City’s Standards for CAD deliverables.

Consultant shall also provide general drafting services for adjacent concrete repairs of curb and gutter, cross gutter, sidewalk, and curb ramps; drainage repairs of rail top boxes, parkway drains, catch basins, etc.; and/or other general civil improvements to be designed by the City, as well as incorporation and integration of traffic improvement (signing, striping and/or traffic signal modification) exhibits prepared by others.

### **3.1 Preliminary (60%) Submittal**

After approval of the pavement recommendations report, the Consultant will coordinate with the City to select final pavement treatments and will produce preliminary (60%) exhibits. Exhibits shall be diagrammatic in nature and shall contain sufficient detail for the Contractor to execute rehabilitation and maintenance improvements. Consultant shall also provide a preliminary cost estimate for the proposed pavement improvements. Following the submittal and review,

Consultant will arrange to meet with the City to discuss the review comments. The City will provide Consultant with one non-conflicting set of redline mark-ups.

The City shall prepare the project's technical specifications; specifications expected of the Consultant shall be limited to details, cut sheets and special provisions for items beyond the Greenbook.

### **3.2 90% Submittal**

Based on the preliminary comments, Consultant will bring the preliminary documents to a 90% level. The 90% documents will include exhibits and cost estimates for the project.

Prior to the 90% submittal, the Consultant shall verify quality assurance of the proposed layout to verify that the design is accurate with respect to City standards and that no unsafe changes/recommendations are proposed, and construction integrity of the design is maintained.

Following the 90% submittal and City review, the Consultant will arrange to meet with the City to discuss the review comments. The City will provide the Consultant with one non-conflicting set of redline mark-ups.

### **3.3 100% Submittal**

Final Plans include 100% exhibits, special provisions and estimates, for bid package. Consultant shall deliver 100% construction documents (final bid set). No formal meeting is anticipated following City review.

## **DELIVERABLES**

Consultant shall provide to the City deliverables in hardcopy and electronic format for all phases described herein and as detailed in the City's Standards for CAD Deliverables, WORD (Special Provisions) and EXCEL (Estimate) files. Provide hard copies in numbers as stated.

Cost of the following deliverables shall include reimbursable costs including but not limited to shipping, supplies, etc.:

### **Task 1 – Project Management and Coordination**

- a. PDF of Kick-off Meeting (1) (Agenda and Minutes)
- b. PDF of Progress Meetings (5) (Agenda and Minutes for each milestone meeting)
- c. PDF copies of Permit Documentation/Correspondence/Notices (if permits necessary)
- d. PDF and MICROSOFT PROJECT PROFESSIONAL 2016 FOR GANTT CHART of Detailed Project Schedule

### **Task 2 – Pavement Analysis & Preliminary Engineering**

- a. PDF of Pavement Evaluation Report, including all field logs, photos, and test data
- b. PDF of all incidental research documents (not provided by City)

### **Task 3 – For Construction Submittals**

- a. PDF of Preliminary (60%) Exhibits and Estimate
- b. PDF of 90% Exhibits and Estimate
- c. PDF of 100% Exhibits and Estimate (Final Bid Set)
- d. CAD files, formatted as detailed in the Capital Programs Divisions Standards for CAD Deliverables for all items a. through c. described above.

### **ADDITIONAL SERVICES NOT INCLUDED**

Services other than those set forth in this exhibit shall constitute extra services. Extra services include but are not limited to, attendance at meetings other than those included in the Scope of Services, curb ramp designs, additional plan sheets, topographic survey, survey monument perpetuation, traffic control plans, phasing plans, etc. shall be considered additional services and will be performed only with written authorization from the City and for additional fees to be negotiated prior to authorization.

EXHIBIT “2”

SCHEDULE

A. Task Order 1 – Schedule

## EXHIBIT 2: SCHEDULE

Task Order and Purchase Order will be processed and executed as soon as possible following selection, and shall be in place prior to Notice to Proceed.

<b>TASKS</b>	<b>COMPLETE BY</b>
Notice to Proceed	November 10, 2020
Pavement Evaluation Report and Life Cycle Cost Analysis	January 05, 2021
Preliminary (60%) Submittal	February 02, 2021
90% Submittal	March 16, 2021
100% Submittal	April 13, 2021

City review periods are included in this schedule; no additional time will be awarded for allowable time with City.

*With submittal of a Proposal, the Consultant acknowledges understanding and awareness of the proposed schedule. No price adjustments will be permitted for acceleration.*

EXHIBIT “3”

FEE SCHEDULE

The Consultant shall maintain separate costs and shall identify the specific costs. The costs under this task order shall include:

A. Task Order 1 – Fee Schedule

<u>Original Authorization:</u>	\$335,870.00
<u>Previous Addt'l Authorizations:</u>	\$0.00
<u>Total Not To Exceed:</u>	\$335.870.00

**EXHIBIT 3: PAYMENT AND FEES\***

TASK NO.	DESCRIPTION	PRICE
<b>1.</b>	<b>PROJECT MANAGEMENT AND COORDINATION</b>	<b><u>\$53,520.00</u></b>
<b>2.</b>	<b>PAVEMENT ANALYSIS &amp; PRELIMINARY ENGINEERING</b>	<b><u>\$153,550.00</u></b>
2.1	Pavement Evaluation Services	
2.2	Measure Field Quantities	
2.3	Concept Level Budget Analysis and Meeting	
<b>3.</b>	<b>PREPARE DIAGRAMMATIC "FOR CONSTRUCTION" EXHIBITS</b>	<b><u>\$128,800.00</u></b>
3.1	Preliminary (60%) Submittal	
3.2	90% Submittal	
3.3	100% Submittal	
<b>TOTAL COST*</b>		<b><u>\$335,870.00</u></b>
TIME AND MATERIALS NOT TO EXCEED		

TOTAL COST AMOUNT WRITTEN IN WORDS \_\_\_\_\_  
 Three hundred thirty-five thousand, eight hundred seventy dollars  
 \_\_\_\_\_  
 \_\_\_\_\_

\* In support of Exhibit 3, Consultant shall provide two fee grids (in table format), with an itemized breakdown by:  
 a. Hours\*\* and Personnel  
 b. Rate and Personnel

\*\* Hours are for progress tracking purposes only. This is a lump sum not to exceed contract to provide services as described in Exhibit 1, *complete*. Additional hours and associated costs will only be considered for change in scope and must be authorized in writing prior to expenditure.

**STAFF REPORT**  
**City of Lancaster**

CC 5
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Task Order for Multi-Year Professional Services Agreement (Service Group Category 3 – (Utilities) Additional Authorization No. 2, Design Services for PWCP 21-006 Avenue K Recycled Waterline Improvements

---

**Recommendation:**

Approve Task Order No. 3 - Additional Authorization No. 2 with DMR Team of Acton, California, for additional recycled waterline design modification in accordance with the 2018-2020 Multi-Year Professional Services Agreement in the amount of \$13,748.00; and authorize the City Manager, or his designee, to sign all documents.

**Fiscal Impact:**

\$13,748.00, bringing the total contract amount to \$137,449.00; sufficient funds are available in Capital Improvements Budget Account No. 210-15BR004-924.

**Background:**

On January 9, 2019, the City issued a task order for the Avenue K Recycled Waterline Project. The scope of work included the necessary design and bid documents for the Avenue K recycled waterline extension from 10<sup>th</sup> Street West to 20<sup>th</sup> Street West. The original authorization amount was \$94,805.00.

Additional Authorization No. 1 was to provide a traffic control and detour handling plan that was not included in the original design scope for the recycled waterline. This work was authorized on February 27, 2020, in the amount of \$28,896.00.

Additional Authorization No. 2 will provide for the design of Avenue K Recycled Waterline project in two (2) phases. Currently, the project has been designed to extend from 10th Street West to 20th Street West. A portion of the right-of-way within the project limits, from 15th Street West to 17th Street West, is owned by Caltrans. Caltrans will not allow vertical crossings to bypass under existing utilities within Caltrans right-of-way. This would require that the proposed pipe profile for the portion that lies within Caltrans right-of-way to be lowered and installed under all

the existing utilities. This additional requirement by Caltrans to lower the line from 5 feet to 16 feet is cost prohibitive. Due to the additional construction cost for lowering the proposed recycled waterline under all existing utilities within Caltrans right-of-way and budget constraints, the City has decided to separate the project into two phases. Phase one extending from 10th Street West to Caltrans right-of-way by 15th Street West. Phase two of the project will be evaluated separately upon City's request.

ML:gb

**Attachments:**

Task Order No. 3

Additional Authorization No. 1

Additional Authorization No. 2

TASK ORDER NO. 3  
UNDER

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES – RFQ 694-18  
SERVICE GROUP CATEGORY 3 – UTILITY ENGINEERING

DATED JANUARY 9, 2019

BETWEEN

THE CITY OF LANCASTER, "OWNER"  
AND  
DMR TEAM, INC. "CONSULTANT"

PROJECT TITLE: PWCP 13-018  
PROJECT DESCRIPTION: SR-138 (SR-14) Avenue K Interchange  
SCOPE OF WORK: Per Attached Exhibit "1", Scope of Services  
PERIOD OF SERVICES: Per Attached Exhibit "2", Schedule  
COMPENSATION FOR SERVICES: Per Fee Schedule - Not to Exceed \$94,805.00

"OWNER"

"CONSULTANT"

CITY OF LANCASTER

DMR TEAM, INC.

By  \_\_\_\_\_  
D740785C689346C...  
Jeff Hogan  
Development Services Director

By  \_\_\_\_\_  
3BFA277A8F6848E...  
Sam Talebian  
President

Date June 26, 2019 | 7:33:05 PM PDT

Date June 26, 2019 | 4:26:08 PM PDT



## **SECTION A**

### ***Project Understanding and Scope***

It is our understanding that the City of Lancaster desires to retain consulting services to provide for preparation of construction documents to extend a 24" reclaimed waterline on Avenue K from 10<sup>th</sup> St. West to 20<sup>th</sup> St. West.

It is further our understanding that the proposed reclaimed waterline will extend from the blind flange @ 10<sup>th</sup> St. to a proposed blind flange approximately 100' West from the centerline of 20<sup>th</sup> St. along the existing alignment. This project is time sensitive as its construction needs to be completed prior to the construction of the SR-138 (SR-14) / Ave. K Interchange Project.

Based on our discussions, the City is currently conducting a pothole program along the proposed reclaimed waterline alignment. Pothole results and the project survey file will be furnished to us which will be used as the base map for the project drawings.

## **SECTION B**

### ***Approach & Methodology***

**Construction Drawings.** DMR will prepare construction plans conforming to the City requirements of construction operations. The plan set will include plan and profile sheets for the new recycled water pipeline, and all details necessary for the construction of the proposed facilities. Drawings will be prepared in the desired version of Civil 3D or AutoCAD on a standard 24-inch by 36-inch sheet size. Plan and profile sheets will be scaled at assumed 1"=20' horizontal and 1"=4' vertical or per the City's desired scale.

**Project Specifications.** DMR will prepare technical specifications, and standard drawings, permit conditions, and incorporate into the City's boiler plate. DMR will also prepare additional specification sections in construction specification institute (CSI) master format or as otherwise required for this project.

**Cost Estimate.** DMR will conduct a quantity takeoff of the proposed improvements and prepare an estimate of the probable cost of construction based on bid items and quantities using Microsoft Excel or the City's preferred program.

**1<sup>st</sup> Submittal.** DMR will submit 60 percent level alignment design drawings and a technical memorandum for City review and approval. The 60% alignment design will at a minimum discuss alternative alignments investigated and issues considered and include the following:

- Completed Preliminary Design Technical Report
- 60 Percent Alignment Design Drawings, C. Digital file submittal for QA/QC review, and
- Preliminary Alignment Estimated of Probable Cost of Construction and a Specifications Outline



**2<sup>nd</sup> Submittal.** DMR will resubmit the PSE package at the 90% design level. DMR will incorporate agreed upon comments from the 60% submittal review. Technical specifications at 90% level along with the 90% Design drawings will be prepared and submitted by DMR as well as the following:

- Written responses to the City's 60% design review comments
- Written report documenting finding of utility research and potholing information
- Updated Estimate of Probable Cost of Construction

**Final Design Deliverables.** For the 100-percent completion plans, DMR will provide the City's desired number of drawings, final specifications, and cost estimate for the bid package. The package will include, as a minimum, one (1) copy of plans in AutoCAD and PDF formats; one (1) copy of specifications in Microsoft Word and PDF, and one (1) soft copy of cost estimate. Additionally, one (1) copy of bid schedule in Microsoft Excel and PDF formats will be provided. All review comments from the 90-percent submittal will be addressed in the final plan set. The final plan set will include a title sheet, general notes, abbreviations, vicinity map, sheet index, details, and all other plan sheets necessary.





## **SECTION B**

### ***Proposed Fee***

Based on the scope of work and our understanding of the project requirements, we project a level of effort as shown below for a total not to exceed fee of \$94,805.

CONSULTANT'S SERVICES	Project Manager (\$145/hr)	Engineer (\$107/hr)	Designer (\$85/hr)	Admin (\$54/hr)	Total
Base Map Preparation	51	94	270	16	\$ 41,267
60% Design	40	82	132		\$ 25,794
90% Design	18	42	88		\$ 14,584
Quantity Calculation & Cost Estimate	8	12		6	\$ 2,768
Project Specifications	12	16		8	\$ 3,884
100% PS&E Submittal	14	16	30	4	\$ 6,508
Total	143	262	520	34	\$ <b>94,805</b>

**Sam Talebian, PE, MS**

**President**

**M: (310) 384-5575**

**O: (818) 674-4330**

[samt@dmrteam.com](mailto:samt@dmrteam.com)

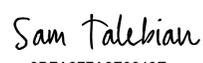
ADDITIONAL AUTHORIZATION NO. 1  
FOR CONSULTANT SERVICES

TO: Sam Talebian, President  
DMR Team  
5015 W Avenue L-14, #2  
Quartz Hill, CA 93536

Under terms of our Professional Consultant Services Agreement dated January 9, 2019, you are authorized to proceed with the following consulting services:

<u>Project:</u>	PWCP 21-006 (formerly 13-018) SR-138 (SR-14) Ave K Interchange
<u>Original Authorization:</u>	<u>\$94,805.00</u>
<u>Previous Additional Authorizations:</u>	<u>\$0.00</u>
<u>This Authorization:</u>	<u>\$28,896.00</u>
<u>Total Not To Exceed:</u>	<u>\$123,701.00</u>
<u>Date Required:</u>	02/27/2020
<u>Project Manager:</u>	Michael C. Livingston

ACCEPTED:

DocuSigned by:  
  
3BEA277A8E6648E...  
 \_\_\_\_\_  
 Sam Talebian, President  
 DMR Team

February 26, 2020 | 6:09:32 PM PST  
 \_\_\_\_\_  
 Date

AUTHORIZED:

DocuSigned by:  
  
D740785C689346C...  
 \_\_\_\_\_  
 Jeff Hogan  
 Senior Director - Development Services

February 27, 2020 | 7:31:31 AM PST  
 \_\_\_\_\_  
 Date

ML:vw

EXHIBIT "A"

SCOPE OF SERVICES

The Consultant shall maintain separate costs for each project and shall identify the costs specific to each project.

The work to be performed under this Additional Authorization No. 1 shall include:

**SEE ATTACHED**

## EXHIBIT A

Based on DMR Team's understanding from our discussions and meetings, coupled with our experience with past similar projects, the scope of services includes;

### Analysis of Traffic Impact of Proposed Improvements

1. DMR will analyze the sequencing of the proposed improvements and estimate the required roadway area needed to provide for construction of each type of the improvements in the sequence.
2. DMR will prepare an exhibit overlaying the requirements from above, along with the existing driveways along and within close proximity of the project limits to evaluate logical phasing for each element of the proposed improvements.
3. DMR will determine the balance of the most effective and least impacting traffic closures for each phase
4. DMR will provide graphical exhibits based on Satellite Imagery and maps to share the closure program with public officials and stake holders.

### Traffic Control & Traffic Detour Program

Based on the findings of the improvement impact analysis we will prepare traffic control plans and traffic detour plans to support construction of the various elements.

### Traffic Closure Schedules

Based on the project sequencing, traffic control plans, and type of improvements, a logical time will be assigned for each element of work that requires major closure. The required closure time of each portion of work and its associated time will be reflected on the graphical exhibits of the closure program. Additionally, the requirements will be utilized by the City and incorporated into the Avenue J Interchange Improvement Project Specifications.

### Deliverables

Approved Traffic Control Plans for the Construction of the Recycled Water Line.

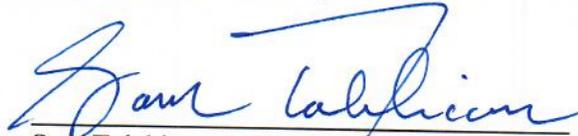
EXHIBIT "B"

ADDITIONAL AUTHORIZATION NO. 1  
PAYMENT CLAUSE

The City of Lancaster shall reimburse the CONSULTANT for actual costs, including labor costs and employee benefits incurred by the CONSULTANT in performance of the work for Additional Authorization No. 1, in an amount Not to Exceed \$28,896.00, for a total amount Not to Exceed \$123,701.00.

Actual costs shall not exceed the estimated wage rates and other costs as set forth in the CONSULTANT'S proposal. Source documentation supporting billed costs must be submitted with invoice. CONSULTANT shall provide a cost breakdown with hourly rates for each office and field function in the event that additional work is required beyond the not to exceed fee given. Any additional work will require a separate Authorization for Consultant Services signed by both parties.

Consultant shall not be reimbursed for actual travel expenses incurred in the performance of the work.



Sam Talebian, President  
DMR Team

**EXHIBIT B**

Based on the scope of work and our understanding of the project requirements, we project a level of effort as shown below for a total not to exceed fee of \$28,896.

CONSULTANT'S SERVICES	Project Manager (\$145/hr)	Engineer (\$107/hr)	Designer (\$85/hr)	Admin (\$54/hr)	Total
Analysis of Traffic Impact of Proposed Improvements	40	55	30	10	\$ 14,775
Traffic Control & Traffic Detour Plans	25	32	40		\$ 10,449
Traffic Closure Schedules	12	12		12	\$ 3,672
Total	77	99	70	22	\$ 28,896

ADDITIONAL AUTHORIZATION NO. 2  
FOR CONSULTANT SERVICES

TO: Sam Talebian, President  
DMR Team  
9536 Topanga Canyon Blvd.  
Chatsworth, CA 91311

Under terms of our Professional Consultant Services Agreement dated January 9, 2019, you are authorized to proceed with the following consulting services:

Project: SR-138 (SR-14) Avenue K Interchange (Reference PWCP 21-006, formerly 13-018)

Original Authorization: \$94,805.00

Previous Additional Authorizations: \$28,896.00

This Authorization: \$13,748.00

Total Not To Exceed: \$137,449.00

Date Required: 10/29/2020

Project Manager: Michael C. Livingston

ACCEPTED:

\_\_\_\_\_  
Sam Talebian, President  
DMR Team

\_\_\_\_\_  
Date

AUTHORIZED:

\_\_\_\_\_  
Jeff Hogan  
Senior Director - Development Services

\_\_\_\_\_  
Date

EXHIBIT "A"

SCOPE OF SERVICES

The Consultant shall maintain separate costs for each project and shall identify the costs specific to each project.

The work to be performed under this Additional Authorization No. 2 shall include:

**SEE ATTACHED**

# **EXHIBIT A**

## **EXHIBIT A: SCOPE OF WORK**

### **ADDITIONAL AUTHORIZATION NO. 2**

This Additional Authorization will amend the Task Order No. 3 Scope of Work as indicated below.

#### **Avenue K Recycled Waterline Phased Modification (\$13,748)**

The City will construct the Ave K Recycled Waterline project in 2 phases. Currently, the project has been designed to extend from 10th St W, to 20th St W. A portion of the right of way within the project limits, around 15TH St W, is owned by Caltrans. Caltrans will not allow vertical crossings to bypass under existing utilities within Caltrans right of way. This would require that the proposed pipe profile for the portion that lies within Caltrans right of way to be lowered to remain consistently under all the existing utilities. Due to the additional construction cost for lowering the proposed recycled waterline under all existing utilities within Caltrans right of way and budget constraints, the City has decided to separate the project in 2 phases, with the phase one extending from 10TH St W to Caltrans right of way by 15TH St W. The modifications necessary to redesign the second phase of the project will be evaluated separately upon City's request.

Therefore, the scope of work included here is to provide for the necessary modifications to the prepared bid documents for the revised project limits on Ave K extending from 10TH St W to 15th St W at Caltrans right of way. The revisions would include modifications to the Improvement Plans, Traffic Control Plans, Bid List, and Cost Estimate. This work will take 45 working days. To be completed no later than 12/15/2020.

EXHIBIT "B"

ADDITIONAL AUTHORIZATION NO. 2  
PAYMENT CLAUSE

The City of Lancaster shall reimburse the CONSULTANT for actual costs, including labor costs and employee benefits incurred by the CONSULTANT in performance of the work for Additional Authorization No. 2, in an amount Not to Exceed \$13,748.00, for a total amount Not to Exceed \$137,449.00

Actual costs shall not exceed the estimated wage rates and other costs as set forth in the CONSULTANT'S proposal. Source documentation supporting billed costs must be submitted with invoice. CONSULTANT shall provide a cost breakdown with hourly rates for each office and field function in the event that additional work is required beyond the not to exceed fee given. Any additional work will require a separate Authorization for Consultant Services signed by both parties.

Consultant shall not be reimbursed for actual travel expenses incurred in the performance of the work.

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Sam Talebian, President  
DMR Team

Original Contract Amount:	\$94,805.00
Contingency Authorized:	\$104,483.00
Additional Authorization No. 1 Amount:	\$28,896.00
Current Additional Authorization No. 2 Amount:	\$13,748.00
Total Amount Not To Exceed:	\$137,449.00

## “EXHIBIT “B”

Additional Authorization No. 2

### Task 2: Avenue K Recycled Waterline Phased Modification (\$13,748)

CONSULTANT'S SERVICES	Project Manager (\$145/hr)	Engineer (\$107/hr)	Designer (\$85/hr)	Admin (\$54/hr)	Total
RWL Improvement Plan Modifications	11	14	40		\$ 6,493
Traffic Control Plan Modifications	7	9	24		\$ 4,018
Quantity & Bid List Revision	5	6		4	\$ 1,583
Cost Estimate Revision	4	6		8	\$ 1,654
Total	27	35	64	12	<b>\$ 13,748</b>

**STAFF REPORT**  
**City of Lancaster**

CC 6
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Approval of the City of Lancaster’s Model Year 2021 Fleet Lease Agreement

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**Recommendations:**

1. Approve a Model Year 2021 Fleet Lease Agreement (Exhibit A) between the City of Lancaster and Enterprise Fleet Management, Inc., for sixteen (16) replacement vehicles in the amount of \$556,594.00; one (1) down payment plus the first annual payment totaling \$147,842.00, followed by four (4) remaining annual payments of \$102,188.00 a year, over a total of five (5) years. Authorize the City Manager to execute a lease agreement and any amendments between the City of Lancaster and Enterprise Fleet Management, Inc.
2. Appropriate \$107,933.35 in Fiscal Year 2020-2021 into Replacement Motor Vehicles Operating Budget Account No. 104-4753-762 for the Model Year 2021 Enterprise year one (1) lease, and to cover existing lease contract budget deficits.

**Fiscal Impact:**

\$556,594.00 lease agreement. \$147,842.00 in fiscal year 2020-2021 and \$102,188.00 in the next four (4) fiscal years. A down payment for vehicle up-fitting is due prior to vehicle being ordered. The first annual payment is due upon delivery of the vehicles; no residual payment will be due at the end of the five-year lease term.

A total of \$313,785.00 was approved in Replacement Motor Vehicles Operating Budget Account No. 104-4753-762 with the annual budget adoption. An additional \$107,933.35 is required to fund the existing leases and the Model Year 2021 Fleet Lease Agreement. The balance of the lease obligations will be programmed in future year budgets.

**Background:**

The City’s fleet includes 153 on-road vehicles, 48 of those are leased through various sources (Exhibit B- FY 19-20 Fully Executed Five-Year Fleet Lease Agreement). These vehicles range from regular sedans to specialty trucks utilized throughout the City. The City’s current lease contracts consist of:

- 2016 TCF Equipment Finance Lease Agreement for 10 vehicles
- 2017 TCF Equipment Finance Lease Agreement for 7 vehicles
- 2018 De Lage Landen Financial Services Lease Agreement for 8 vehicles
- 2019 Enterprise Fleet Management Lease Agreement for 12 vehicles
- 2020 Enterprise Fleet Management Lease Agreement for 11 vehicles

On March 26, 2019, City Council consented to enter into five-year Master Equity Lease Agreement between the City of Lancaster and Enterprise Fleet Management, Inc.

Staff's analysis concluded that fully funding a maintenance program, as well as supporting a structured and methodical vehicle replacement program, could be best achieved through the continued leasing of needed vehicles instead of purchasing them, which is currently handled in-house. Enterprise Fleet Management orders the vehicles directly from the manufacturers to provide the City of Lancaster with the most cost effective acquisition method. Enterprise then dropships the vehicles to a local dealership in Lancaster in order for the revenue from the lease to stay within the city.

Enterprise continues to provide a local account team to assist the City with implementing and executing the Vehicle Leasing and Replacement program at no additional cost to the City. The Enterprise Fleet Management, Inc. program being utilized is an "open-ended" lease structure, which would allow the City to replace more vehicles with less upfront capital. Below are highlights of our current program:

- No mileage restrictions, no abnormal wear-and-tear, and no early termination penalties.
- The City has all rights of ownership and can equip some of the vehicles with aftermarket parts (utility bodies, tool boxes, etc.).
- Leasing would provide the opportunity to minimize the amount of large capital outlays necessary for purchasing vehicles.
- The City would establish a proactive fleet replacement plan to acquire vehicles on a more consistent basis.

Each year, the replaced vehicles would be set aside as surplus equipment and liquidated. Proceeds from sale of the surplus vehicles would augment funding for the City's Replacement Motor Vehicles Operating Budget Account No. 104-4753-762.

	Fiscal Year 20/21	Fiscal Year 21/22	Fiscal Year 22/23	Fiscal Year 23/24	Fiscal Year 24/25
2016 TCF Equipment Lease Payment	\$24,739.37				
2017 TCF Equipment Lease Payment	\$54,518.53	\$54,518.53			
2018 De Lage Landen Lease Payment	\$51,498.13	\$51,498.13	\$51,498.13		
2019 Enterprise Fleet Lease Payment	\$81,934.32	\$81,934.32	\$81,934.32	\$81,934.32	
2020 Enterprise Fleet Lease Payment	\$61,185.00	\$61,185.00	\$61,185.00	\$61,185.00	\$35,592.00
2021 Enterprise Fleet Lease Payment	\$147,842.00	\$102,188.00	\$102,188.00	\$102,188.00	\$102,188.00
Total Yearly Lease Payments	\$421,717.35	\$351,323.98	\$296,805.45	\$245,307.32	\$137,780.00
Existing/Programmed Budget	\$313,785.00	\$289,045.63	\$234,527.10	\$183,028.97	\$101,094.65
Requested Appropriations	\$107,932.35	\$62,278.35	\$62,278.35	\$62,278.35	\$36,685.35

Continued use of lease agreements with Enterprise Fleet Management, Inc. can be executed by utilizing a cooperative agreement through Sourcewell (formerly NJPA) RFP#060618 for Fleet Management Services. Sourcewell is a government agency that has been providing cooperative purchasing programs throughout North America for over 40 years. This cooperative purchasing system enables member entities to purchase on an “as needed” basis from competitively awarded contracts with high performance vendors. The City of Lancaster is a current member of Sourcewell, and since Enterprise has been awarded a contract with Sourcewell through a competitive process for Fleet Management Services, the City can enter into an agreement with Enterprise pursuant to Sourcewell Contract #060618-EFM.

Staff respectfully recommends that the City Council approve the Model Year 2021 Fleet Lease Agreement with Enterprise Fleet Management, Inc., and authorize the City Manager to execute the said agreements and any necessary amendments. Staff also recommends the approval of the requested appropriations to cover lease contract budget deficits. Continued use of this program will provide staff with accurate costs to use during the annual budgeting process. This will assure the City maintains a safe, reliable service fleet while remaining fiscally prudent.

HA:sm

**Attachments:**

Exhibit A - Model Year 2021 Fleet Lease Agreement

Exhibit B - FY 19/20 Fully Executed Five-Year Fleet Lease Agreement

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 3500HD Chassis  
**Series** Work Truck 4x2 Crew Cab 176.8 in. WB DRW

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 45,847.13	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 6,364.50 *	Capitalized Price Reduction
\$ 461.43 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>
<b>Exterior Color</b> (0 P) Summit White
<b>Interior Color</b> (0 I) Jet Black w/Vinyl Seat Trim
<b>Lic. Plate Type</b> Unknown
<b>GVWR</b> 0

\$ 39,807.63	Total Capitalized Amount (Delivered Price)
\$ 537.40	Depreciation Reserve @ <u>1.3500%</u>
\$ 110.30	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 647.70</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>
\$ 0.00	Physical Damage Management
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>

Comp/Coll Deductible	<u>0 / 0</u>
OverMileage Charge	<u>\$ 0.0350</u> Per Mile
# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 46.96	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 7,563.63	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 11,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Royal Utility Body	C	\$ 12,729.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 12,729.00
<b>Aftermarket Equipment Total</b>		\$ 12,729.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 3500HD Chassis Work Truck 4x2 Crew Cab 176.8 in. WB DRW - US

Series ID: CC31043

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$37,272.4	\$39,400.00
Total Options	\$2,550.73	\$2,803.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$41,418.13</b>	<b>\$43,798.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2G-(0 I) Jet Black w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$66.43	\$73.00
8S3	SEO: 97 Decibels Back-Up Alarm	\$40.95	\$45.00
9L7	Upfitter Switch Kit (5)	\$136.50	\$150.00
A2S	4-Way Manual Driver Seat Adjuster	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
A7E	4-Way Manual Passenger Seat Adjuster	Included	Included
AE7	Front 40/20/40 Split-Bench Seat	Included	Included
AEQ	Power Rear Windows w/Express Down	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
CAPS	Black Mirror Caps	Included	Included
DBG	Power Adjustable Outside Mirrors	Included	Included
G9Y	GVWR: 14,000 lbs (6,350 kgs)	STD	STD
GAZ_01	(0 P) Summit White	NC	NC
GRILLE	Front Grille Bar w/Black Mesh Inserts	Included	Included
GT4	3.73 Rear Axle Ratio	STD	STD
H2G_02	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JL1	Integrated Trailer Brake Controller	\$250.25	\$275.00
K34	Steering Wheel Mounted Electronic Cruise Control	Included	Included
KW5	220 Amp Alternator	\$136.50	\$150.00
L8T	Engine: 6.6L V8	STD	STD
L8TBAT	Heavy-Duty 80 Amp Battery	Included	Included
MYD	Transmission: Heavy-Duty 6-Speed Automatic	STD	STD
N33	Manual Tilt-Wheel Steering Column	Included	Included
NZZ	Skid Plates	\$136.50	\$150.00
PAINT	Solid Paint	STD	STD
PCV	WT Convenience Package	\$1,078.35	\$1,185.00
PYW	Wheels: 17" Painted Steel	STD	STD

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<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
QQO	Tires: LT235/80R17E AS Highway BW	Included	Included
RVQ	6" Rectangular Black Tubular Assist Steps (LPO)	\$705.25	\$775.00
STD	Vinyl Seat Trim	STD	STD
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UQF	6-Speaker Audio System Feature	Included	Included
VH6	Black Front Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC
Z85	Suspension Package	STD	STD

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## **CONFIGURED FEATURES:**

### Body Exterior Features:

Number Of Doors: 4  
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Skid Plates: skid plates  
Side Steps: yes  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
: trailering with brake controller  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with front and rear 1-touch down  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Overhead Console: mini overhead console  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: AM/FM stereo with seek-scan  
Audio Theft Deterrent: audio theft deterrent  
Voice Activated Radio: voice activated radio  
Speakers: 6 speakers  
1st Row LCD: 2 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cab clearance lights  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Rear Window Defroster: rear window defroster  
Tinted Windows: deep-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning

Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Panic Alarm: panic alarm  
Electronic Stability: electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear 60-40 split-bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabback Insulator: cabback insulator  
Shift Knob Trim: urethane shift knob

#### Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 2500HD  
**Series** Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 33,297.66	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 1,809.75 *	Capitalized Price Reduction
\$ 131.21 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Black Front Grille
<b>Interior Color</b>	
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 31,812.91	Total Capitalized Amount (Delivered Price)
\$ 429.47	Depreciation Reserve @ <u>1.3500%</u>
\$ 85.08	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 514.55</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

Master Policy Enrollment Fees  
Commercial Automobile Liability Enrollment  
Liability Limit \$0.00

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 37.30 Sales Tax 7.2500% **State** CA

**\$ 551.85 Total Monthly Rental Including Additional Services**

\$ 6,044.71	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor anyManufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been UsedBy Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Scelzi Stake Body	C	\$ 7,239.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 7,239.00
<b>Aftermarket Equipment Total</b>		\$ 7,239.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 2500HD Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB - US

Series ID: CC20903

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$32,826.2	\$34,700.00
Total Options	\$-722.54	\$-794.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$33,698.66</b>	<b>\$35,501.00</b>

**SELECTED COLOR:**

Exterior: GRIL-Black Front Grille

Interior: -

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$66.43	\$73.00
8S3	SEO: 97 Decibels Backup Alarm	\$125.58	\$138.00
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
9L7	Upfitter Switch Kit (5)	\$136.50	\$150.00
A6Q	Manual Windows	Included	Included
AE7	Front 40/20/40 Split-Bench Seat w/Storage	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C4M	GVWR: 9,900 lbs (4,490 kg)	Included	Included
CAP	Capped Fuel Fill	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
DUD	High-Visibility Vertical Trailering Mirrors	Included	Included
GRIL	Black Front Grille	Included	Included
GT4	3.73 Rear Axle Ratio	STD	STD
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
KW7	170 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	STD	STD
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MDL	Manual Door Locks	Included	Included
MYD	Transmission: HD 6-Speed Automatic	STD	STD
N33	Manual Tilt-Wheel Steering Column	Included	Included
PYN	Wheels: 17" Silver Painted Steel	Included	Included
QHQ	Tires: LT245/75R17E AS BW	Included	Included
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STDTM	Vinyl Seat Trim	Included	Included
STPDEL	Black BedStep Delete	Included	Included
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included

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<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
UVCDEL	Rear Vision Camera Delete	Included	Included
VH6	Black Front Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
Z82DEL	Trailer Package Delete	Included	Included
Z85	Suspension Package	STD	STD
ZW9	Pickup Bed Delete	\$-1,051.05	\$-1,155.00
ZY1	Solid Paint	STD	STD

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 2  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
Fender Flares: black fender flares  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan  
Speakers: 2 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning

Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: DuraLife four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 3  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Leather Upholstery: vinyl front seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob

Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 2500HD  
**Series** Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 39,624.91	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 6,658.00 *	Capitalized Price Reduction
\$ 482.71 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Black Front Grille
<b>Interior Color</b>	
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 33,291.91	Total Capitalized Amount (Delivered Price)
\$ 449.44	Depreciation Reserve @ <u>1.3500%</u>
\$ 93.76	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 543.20</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>
\$ 0.00	Physical Damage Management
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>

Comp/Coll Deductible	<u>0 / 0</u>
OverMileage Charge	<u>\$ 0.0350</u> Per Mile
# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 39.38 Sales Tax 7.2500% **State** CA

**\$ 582.58 Total Monthly Rental Including Additional Services**

\$ 6,325.51	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Scelzi Stake Body	C	\$ 13,316.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 13,316.00
<b>Aftermarket Equipment Total</b>		\$ 13,316.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 2500HD Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB - US

Series ID: CC20903

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$32,826.2	\$34,700.00
Total Options	\$-472.29	\$-519.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$33,948.91</b>	<b>\$35,776.00</b>

**SELECTED COLOR:**

Exterior: GRIL-Black Front Grille

Interior: -

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$66.43	\$73.00
8S3	SEO: 97 Decibels Backup Alarm	\$125.58	\$138.00
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
9L7	Upfitter Switch Kit (5)	\$136.50	\$150.00
AE7	Front 40/20/40 Split-Bench Seat w/Storage	Included	Included
AED	Power Front Windows w/Passenger Express Down	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
C4M	GVWR: 9,900 lbs (4,490 kg)	Included	Included
CAP	Capped Fuel Fill	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
DBG	Heated Vertical Trailing Mirrors	Included	Included
GRIL	Black Front Grille	Included	Included
GT4	3.73 Rear Axle Ratio	STD	STD
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JL1_	Integrated Trailer Brake Controller (Fleet)	\$250.25	\$275.00
K34	Electronic Cruise Control w/Set & Resume Speed	Included	Included
KW7	170 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	STD	STD
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MYD	Transmission: HD 6-Speed Automatic	STD	STD
N33	Manual Tilt-Wheel Steering Column	Included	Included
PCV	WT Convenience Package	NA	NA
PYN	Wheels: 17" Silver Painted Steel	Included	Included

CODE	DESCRIPTION	INVOICE	MSRP
QHJ	Tires: LT245/75R17E AS BW	Included	Included
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STDTM	Vinyl Seat Trim	Included	Included
STPDEL	Black BedStep Delete	Included	Included
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UVCDEL	Rear Vision Camera Delete	Included	Included
VH6	Black Front Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC
Z82DEL	Trailer Package Delete	Included	Included
Z85	Suspension Package	STD	STD
ZW9	Pickup Bed Delete	\$-1,051.05	\$-1,155.00
ZY1	Solid Paint	STD	STD

## **CONFIGURED FEATURES:**

### Body Exterior Features:

Number Of Doors: 2  
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
: trailering with brake controller  
Fender Flares: black fender flares  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with driver and passenger 1-touch down  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan  
Speakers: 2 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Rear Window Defroster: rear window defroster  
Tinted Windows: deep-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter

Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: DuraLife four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Ignition Disable: immobilizer  
Panic Alarm: panic alarm  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 3  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Leather Upholstery: vinyl front seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob

#### Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

#### Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 2500HD  
**Series** Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 39,103.91	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 6,397.50 *	Capitalized Price Reduction
\$ 463.82 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Black Front Grille
<b>Interior Color</b>	
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 33,031.41	Total Capitalized Amount (Delivered Price)
\$ 445.92	Depreciation Reserve @ <u>1.3500%</u>
\$ 92.83	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 538.75</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>
\$ 0.00	Physical Damage Management
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>

Comp/Coll Deductible	<u>0 / 0</u>
OverMileage Charge	<u>\$ 0.0350</u> Per Mile
# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 39.06 Sales Tax 7.2500% **State** CA

**\$ 577.81 Total Monthly Rental Including Additional Services**

\$ 6,276.21	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Royal Utility Body	C	\$ 12,795.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 12,795.00
<b>Aftermarket Equipment Total</b>		\$ 12,795.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 2500HD Work Truck 4x2 Regular Cab 8 ft. box 141.6 in. WB - US

Series ID: CC20903

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$32,826.2	\$34,700.00
Total Options	\$-472.29	\$-519.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$33,948.91</b>	<b>\$35,776.00</b>

**SELECTED COLOR:**

Exterior: GRIL-Black Front Grille

Interior: -

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
5N5	SEO: Rear Camera Kit	\$66.43	\$73.00
8S3	SEO: 97 Decibels Backup Alarm	\$125.58	\$138.00
9J4	Rear Bumper Delete	Included	Included
9L3	Delete Spare Tire & Wheel	Included	Included
9L7	Upfitter Switch Kit (5)	\$136.50	\$150.00
AE7	Front 40/20/40 Split-Bench Seat w/Storage	Included	Included
AED	Power Front Windows w/Passenger Express Down	Included	Included
AKO	Deep-Tinted Glass	Included	Included
AQQ	Remote Keyless Entry	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C49	Electric Rear-Window Defogger	Included	Included
C4M	GVWR: 9,900 lbs (4,490 kg)	Included	Included
CAP	Capped Fuel Fill	Included	Included
CTDDEL	12 Fixed Cargo Tie Downs Delete	Included	Included
CTTDEL	Hitch Guidance Delete	Included	Included
DBG	Heated Vertical Trailing Mirrors	Included	Included
GRIL	Black Front Grille	Included	Included
GT4	3.73 Rear Axle Ratio	STD	STD
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
JL1_	Integrated Trailer Brake Controller (Fleet)	\$250.25	\$275.00
K34	Electronic Cruise Control w/Set & Resume Speed	Included	Included
KW7	170 Amp Alternator	Included	Included
L8T	Engine: 6.6L Gas V8 w/Direct Injection & VVT	STD	STD
L8TBAT	720 Cold-Cranking Amps Heavy-Duty Battery	Included	Included
MCAP	Black Mirror Caps	Included	Included
MYD	Transmission: HD 6-Speed Automatic	STD	STD
N33	Manual Tilt-Wheel Steering Column	Included	Included
PCV	WT Convenience Package	NA	NA
PYN	Wheels: 17" Silver Painted Steel	Included	Included

CODE	DESCRIPTION	INVOICE	MSRP
QHJ	Tires: LT245/75R17E AS BW	Included	Included
SFW	SEO: Back-Up Alarm Calibration	Included	Included
STDTM	Vinyl Seat Trim	Included	Included
STPDEL	Black BedStep Delete	Included	Included
U95	2-Speaker Audio System Feature	Included	Included
UDC	3.5" Diagonal Monochromatic Display DIC	Included	Included
UVCDEL	Rear Vision Camera Delete	Included	Included
VH6	Black Front Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC
Z82DEL	Trailer Package Delete	Included	Included
Z85	Suspension Package	STD	STD
ZW9	Pickup Bed Delete	\$-1,051.05	\$-1,155.00
ZY1	Solid Paint	STD	STD

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 2  
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
: trailering with brake controller  
Fender Flares: black fender flares  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with driver and passenger 1-touch down  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan  
Speakers: 2 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Rear Window Defroster: rear window defroster  
Tinted Windows: deep-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter

Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: DuraLife four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Ignition Disable: immobilizer  
Panic Alarm: panic alarm  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 3  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Leather Upholstery: vinyl front seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob

Standard Engine:

Engine 401-hp, 6.6-liter V-8 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** RAM **Model** 4500 Chassis  
**Series** Tradesman/SLT/Laramie/Limited 4x2 Crew Cab 197.4 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 58,977.04	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 10,669.00 *	Capitalized Price Reduction
\$ 773.50 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	(0 P) Bright White Clearcoat / Black Wheel FI
<b>Interior Color</b>	(0 I) Diesel Gray/Black w/HD Vinyl 40/20/40 S
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 48,633.04	Total Capitalized Amount (Delivered Price)
\$ 656.55	Depreciation Reserve @ <u>1.3500%</u>
\$ 147.06	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 803.61</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 58.26	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 9,240.04	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 8,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Scelzi Dump Body	C	\$ 21,338.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 21,338.00
<b>Aftermarket Equipment Total</b>		\$ 21,338.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 RAM 4500 Chassis Tradesman/SLT/Laramie/Limited 4x2 Crew Cab 197.4 in. WB - US

Series ID: DP4L94

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$39,199	\$42,595.00
Total Options	\$1,474.00	\$1,600.00
Destination Charge	\$1,695.00	\$1,695.00
<b>Total Price</b>	<b>\$42,368.00</b>	<b>\$45,890.00</b>

**SELECTED COLOR:**

Exterior: PW7 / MMZ-(0 P) Bright White Clearcoat / Black Wheel Flares

Interior: X8-(0 I) Diesel Gray/Black w/HD Vinyl 40/20/40 Split Bench Seat or HD Vinyl 40/20/40 Split Bench Seat w/2\_G or Cloth 40/20/40 Bench Seat or Cloth 40/20/40 Premium Bench Seat or Premium Cloth Bucket Seats

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
27A	Quick Order Package 27A Tradesman	NC	NC
APA	Monotone Paint Application	STD	STD
BAJ	220 Amp Alternator	Included	Included
CEU	Black Key Fob	Included	Included
CLP	Door Sill Scuff Pads	Included	Included
CUN	Overhead Console	Included	Included
CV3	Urethane Shift Control	Included	Included
DF3	Transmission: 6-Speed Auto Aisin AS66RC HD	STD	STD
DMK	4.44 Axle Ratio	STD	STD
ESB	Engine: 6.4L V8 Heavy Duty HEMI	STD	STD
GPG	Power Black Trailer Tow Mirrors	Included	Included
GXM	Remote Keyless Entry	\$364.00	\$395.00
JJ1	Trailer Light Check	Included	Included
JKH	Glove Box	Included	Included
LBA	Map/Courtesy Lamp	Included	Included
LBN	Power Take Off Prep	\$272.00	\$295.00
LBT	Overhead Cupholder Lamp	Included	Included
LCH	Rear Dome Lamp	Included	Included
LE4	Black Exterior Mirrors	Included	Included
LEB	Exterior Mirrors w/Supplemental Signals	Included	Included
LEC	Exterior Mirrors Courtesy Lamps	Included	Included
LEG	Trailer Tow Mirrors	Included	Included
LME	Halogen Quad Headlamps	Included	Included
LNK	Mirror Running Lights	Included	Included
MDA	Front License Plate Bracket	NC	NC
MM5	Matte Black Grille-Surround	Included	Included
MMZ	Black Wheel Flares	Included	Included
NAS	50 State Emissions	NC	NC
NHJ	Exterior Mirrors w/Heating Element	Included	Included
PW7_02	(0 P) Bright White Clearcoat	NC	NC
TAE	Tires: 225/70R19.5G All Position	STD	STD
TX	HD Vinyl 40/20/40 Split Bench Seat	STD	STD
UA1	Radio: Uconnect 3.0	STD	STD

CODE	DESCRIPTION	INVOICE	MSRP
WP3	Wheels: 19.5" x 6.0" Steel	STD	STD
X8_02	(0 l) Diesel Gray/Black w/HD Vinyl 40/20/40 Split Bench Seat or HD Vinyl 40/20/40 Split Bench Seat w/2_G or Cloth 40/20/40 Bench Seat or Cloth 40/20/40 Premium Bench Seat or Premium Cloth Bucket Seats	NC	NC
XAW	Rear Backup Alarm	\$133.00	\$145.00
XBV	Hard Wired Remote Start	Included	Included
XF5	Dual Alternators Rated At 380 Amps	\$364.00	\$395.00
XHC	Trailer Brake Control	\$341.00	\$370.00
Z4A	GVWR: 16,500 lbs	STD	STD

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
: trailering with harness, brake controller  
Fender Flares: black fender flares  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with driver and passenger 1-touch down  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Integrated Key Remote: integrated key/remote  
Auto Locking: auto-locking doors  
Passive Entry: Keyless Go proximity key  
Valet Key: valet function  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Overhead Console: mini overhead console  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM/Satellite-prep with seek-scan  
Radio Data System: radio data system  
Speakers: 6 speakers  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cab clearance lights  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge

Oil Temp Gauge: oil temperature gauge  
Transmission Oil Temp Gauge: transmission oil temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Bulb Failure Warning: bulb-failure warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: Sentry Key immobilizer  
Panic Alarm: panic alarm  
Electronic Stability: electronic stability  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 3 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear full bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Deluxe Sound Insulation: deluxe sound insulation  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob  
Interior Accents: chrome/metal-look interior accents

#### Standard Engine:

Engine 370-hp, 6.4-liter V-8 (premium)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** RAM **Model** 4500 Chassis  
**Series** Tradesman/SLT/Laramie/Limited 4x2 Crew Cab 197.4 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 58,977.04	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 10,669.00 *	Capitalized Price Reduction
\$ 773.50 *	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Black Wheel Flares
<b>Interior Color</b>	
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 48,633.04	Total Capitalized Amount (Delivered Price)
\$ 656.55	Depreciation Reserve @ <u>1.3500%</u>
\$ 147.06	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 803.61</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>
\$ 0.00	Physical Damage Management
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>

Comp/Coll Deductible	<u>0 / 0</u>
OverMileage Charge	<u>\$ 0.0350</u> Per Mile
# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 58.26 Sales Tax 7.2500% **State** CA

**\$ 861.87 Total Monthly Rental Including Additional Services**

\$ 9,240.04	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 8,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor anyManufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been UsedBy Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Scelzi Dump Body	C	\$ 21,338.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 21,338.00
<b>Aftermarket Equipment Total</b>		\$ 21,338.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 RAM 4500 Chassis Tradesman/SLT/Laramie/Limited 4x2 Crew Cab 197.4 in. WB - US

Series ID: DP4L94

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$39,199	\$42,595.00
Total Options	\$1,474.00	\$1,600.00
Destination Charge	\$1,695.00	\$1,695.00
<b>Total Price</b>	<b>\$42,368.00</b>	<b>\$45,890.00</b>

**SELECTED COLOR:**

Exterior: MMZ-Black Wheel Flares

Interior: -

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
27A	Quick Order Package 27A Tradesman	NC	NC
APA	Monotone Paint Application	STD	STD
BAJ	220 Amp Alternator	Included	Included
CEU	Black Key Fob	Included	Included
CLP	Door Sill Scuff Pads	Included	Included
CUN	Overhead Console	Included	Included
CV3	Urethane Shift Control	Included	Included
DF3	Transmission: 6-Speed Auto Aisin AS66RC HD	STD	STD
DMK	4.44 Axle Ratio	STD	STD
ESB	Engine: 6.4L V8 Heavy Duty HEMI	STD	STD
GPG	Power Black Trailer Tow Mirrors	Included	Included
GXM	Remote Keyless Entry	\$364.00	\$395.00
JJ1	Trailer Light Check	Included	Included
JKH	Glove Box	Included	Included
LBA	Map/Courtesy Lamp	Included	Included
LBN	Power Take Off Prep	\$272.00	\$295.00
LBT	Overhead Cupholder Lamp	Included	Included
LCH	Rear Dome Lamp	Included	Included
LE4	Black Exterior Mirrors	Included	Included
LEB	Exterior Mirrors w/Supplemental Signals	Included	Included
LEC	Exterior Mirrors Courtesy Lamps	Included	Included
LEG	Trailer Tow Mirrors	Included	Included
LME	Halogen Quad Headlamps	Included	Included
LNJ	Mirror Running Lights	Included	Included
MDA	Front License Plate Bracket	NC	NC
MM5	Matte Black Grille-Surround	Included	Included
MMZ	Black Wheel Flares	Included	Included
NAS	50 State Emissions	NC	NC
NHJ	Exterior Mirrors w/Heating Element	Included	Included
TAE	Tires: 225/70R19.5G All Position	STD	STD
TX	HD Vinyl 40/20/40 Split Bench Seat	STD	STD
UA1	Radio: Uconnect 3.0	STD	STD
WP3	Wheels: 19.5" x 6.0" Steel	STD	STD

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<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
XAW	Rear Backup Alarm	\$133.00	\$145.00
XBV	Hard Wired Remote Start	Included	Included
XF5	Dual Alternators Rated At 380 Amps	\$364.00	\$395.00
XHC	Trailer Brake Control	\$341.00	\$370.00
Z4A	GVWR: 16,500 lbs	STD	STD

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator  
Convex Driver Mirror: convex driver and passenger mirror  
Mirror Type: manual extendable trailer mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers  
Front Tow Hooks: 2 front tow hooks  
Front License Plate Bracket: front license plate bracket  
Body Material: galvanized steel/aluminum body material  
: trailering with harness, brake controller  
Fender Flares: black fender flares  
Grille: black grille  
Upfitter Switches: upfitter switches

### Convenience Features:

Air Conditioning: manual air conditioning  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with driver and passenger 1-touch down  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Integrated Key Remote: integrated key/remote  
Auto Locking: auto-locking doors  
Passive Entry: Keyless Go proximity key  
Valet Key: valet function  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Overhead Console: mini overhead console  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: AM/FM/Satellite-prep with seek-scan  
Radio Data System: radio data system  
Speakers: 6 speakers  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cab clearance lights  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge  
Water Temp Gauge: water temp. gauge

Oil Temp Gauge: oil temperature gauge  
Transmission Oil Temp Gauge: transmission oil temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Bulb Failure Warning: bulb-failure warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: Sentry Key immobilizer  
Panic Alarm: panic alarm  
Electronic Stability: electronic stability  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 3 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear full bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Deluxe Sound Insulation: deluxe sound insulation  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob  
Interior Accents: chrome/metal-look interior accents

Standard Engine:

Engine 370-hp, 6.4-liter V-8 (premium)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Equinox  
**Series** LS w/1FL Front-wheel Drive

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 22,786.40	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Summit White
<b>Interior Color</b>	Medium Ash Gray w/Premium Cloth Seat Trim
<b>Lic. Plate Type</b>	Unknown
<b>GVWR</b>	0

\$ 23,111.40	Total Capitalized Amount (Delivered Price)
\$ 312.00	Depreciation Reserve @ <u>1.3500%</u>
\$ 65.44	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 377.44</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 27.36	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**\$ 404.80 Total Monthly Rental Including Additional Services**

\$ 4,391.40	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 10,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
EVS INC Amber Light	C	\$ 714.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 714.00
<b>Aftermarket Equipment Total</b>		\$ 714.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Equinox LS w/1FL Front-wheel Drive - US

Series ID: 1XP26

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$25,281	\$26,500.00
Total Options	\$36.40	\$40.00
Destination Charge	\$1,195.00	\$1,195.00
<b>Total Price</b>	<b>\$26,512.40</b>	<b>\$27,735.00</b>

**SELECTED COLOR:**

Exterior: GAZ-Summit White  
 Interior: H72-Medium Ash Gray w/Premium Cloth Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1FL	Preferred Equipment Group 1FL	NC	NC
5CX	Tires: P225/65R17 All-Season Blackwall	STD	STD
AG6	Front Passenger 4-Way Manual Seat Adjuster	Included	Included
AH3	4-Way Manual Driver Seat Adjuster	Included	Included
AR9	Front Bucket Seats	STD	STD
CNQ	GVWR: 4,464 lbs (2,025 kgs)	STD	STD
FJM	3.50 Final Drive Axle Ratio	STD	STD
GAZ_01	Summit White	NC	NC
H72_01	Medium Ash Gray w/Premium Cloth Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System w/AM/FM	STD	STD
LYX	Engine: 1.5L Turbo DOHC 4-Cyl SIDI VVT	STD	STD
MNH	Transmission: Electronic 6-Speed Auto w/OD	STD	STD
PAINT	Monotone Paint Application	STD	STD
RSB	Wheels: 17" Aluminum	STD	STD
STDTM	Premium Cloth Seat Trim	STD	STD
U2J	SiriusXM Radio Delete	Included	Included
UPG	Bluetooth For Phone	Included	Included
USS	2 Rear USB Charging-Only Ports	Included	Included
UST	2 USB Ports & Auxiliary Input Jack	Included	Included
UZ6	6 Speaker Audio System Feature	Included	Included
VK3	Front License Plate Mounting Package	\$36.40	\$40.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC

## **CONFIGURED FEATURES:**

### Body Exterior Features:

Number Of Doors: 4  
Rear Cargo Door Type: liftgate  
Driver And Passenger Mirror: power remote manual folding side-view door mirrors  
Spoiler: rear lip spoiler  
Door Handles: body-coloured  
Front And Rear Bumpers: body-coloured front and rear bumpers  
Rear Bumper Insert: chrome rear bumper insert  
Front License Plate Bracket: front license plate bracket  
Body Material: fully galvanized steel body material  
Body Side Cladding: black bodyside cladding  
Grille: black w/chrome surround grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Air Filter: air filter  
Cruise Control: cruise control with steering wheel controls  
Power Windows: power windows with front and rear 1-touch down  
1/4 Vent Rear Windows: power rearmost windows  
Remote Keyless Entry: keyfob (all doors) remote keyless entry  
Illuminated Entry: illuminated entry  
Integrated Key Remote: integrated key/remote  
Auto Locking: auto-locking doors  
Passive Entry: proximity key  
Steering Wheel: steering wheel with manual tilting, manual telescoping  
Day-Night Rearview Mirror: day-night rearview mirror  
Driver and Passenger Vanity Mirror: illuminated driver and passenger-side visor mirrors  
Emergency SOS: OnStar and Chevrolet connected services capable emergency communication system  
Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Overhead Console: mini overhead console with storage  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Seatback Storage Pockets: 2 seatback storage pockets  
IP Storage: bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM stereo with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speed Sensitive Volume: speed-sensitive volume  
Steering Wheel Radio Controls: steering-wheel mounted audio controls  
Speakers: 6 speakers  
Internet Access: 4G LTE Wi-Fi Hotspot capable internet access  
TV Tuner: OnStar Turn-by-Turn Navigation turn-by-turn navigation directions  
1st Row LCD: 2 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off projector beam halogen headlamps  
Auto-Dimming Headlights: IntelliBeam auto high-beam headlights  
Front Wipers: variable intermittent wipers  
Rear Window wiper: fixed interval rear window wiper with heating wiper park  
Rear Window Defroster: rear window defroster

Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Door Curb/Courtesy Lights: 2 door curb/courtesy lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Compass: compass  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Park Distance Control: Rear Park Assist rear parking sensors  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Lane Departure Warning: lane departure  
Front Pedestrian Braking: pedestrian detection  
Following Distance Indicator: following distance alert  
Forward Collision Alert: forward collision  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Door Ajar Warning: door-ajar warning  
Trunk Ajar Warning: trunk-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: spare tire mounted inside under cargo  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights  
Tailgate/Rear Door Lock Type: tailgate/rear door lock included with power door locks  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Security System: security system  
Panic Alarm: panic alarm  
Tracker System: tracker system  
Electronic Stability: StabiliTrak electronic stability stability control with anti-roll

Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 5  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: manual height-adjustable driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear manual reclining 60-40 bench seat  
Rear Folding Position: rear seat fold-forward seatback  
Rear Seat Armrest: rear seat centre armrest  
Leather Upholstery: premium cloth front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: chrome shift knob  
Floor Mats: carpet front and rear floor mats  
Interior Accents: chrome/metal-look interior accents  
Cargo Space Trim: carpet cargo space  
Trunk Lid: plastic trunk lid/rear cargo door  
Cargo Light: cargo light

Standard Engine:

Engine 170-hp, 1.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 1500  
**Series** Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 28,421.50	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b> (0 P) Summit White	
<b>Interior Color</b> (0 I) Jet Black w/Vinyl Seat Trim	
<b>Lic. Plate Type</b> Exempt	
<b>GVWR</b> 0	

\$ 28,746.50	Total Capitalized Amount (Delivered Price)
\$ 388.08	Depreciation Reserve @ <u>1.3500%</u>
\$ 81.11	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 469.19</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 34.02	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**\$ 503.21 Total Monthly Rental Including Additional Services**

\$ 5,461.70	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Crossbody Tool Box	C	\$ 800.00
EVS INC Amber Light Front and Rear	C	\$ 1,740.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 2,540.00
<b>Aftermarket Equipment Total</b>		\$ 2,540.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 1500 Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB - US

Series ID: CC10743

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$33,731.1	\$35,100.00
Total Options	\$855.40	\$940.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$36,181.50</b>	<b>\$37,635.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2G-(0 I) Jet Black w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
A60	Locking Tailgate	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
AE7	40/20/40 Front Split Bench Seat	Included	Included
AEQ	Power Rear Windows w/Express Down	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AU3	Power Door Locks	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C5U	GVWR: 6,800 lbs (3,084 kgs)	STD	STD
CGN	Chevytec Spray-On Black Bedliner	\$495.95	\$545.00
CTT	Hitch Guidance	Included	Included
DEN	Black Manual Outside Mirrors	Included	Included
GAZ_01	(0 P) Summit White	NC	NC
GRILL	Black Grille	Included	Included
GU6	3.42 Rear Axle Ratio	STD	STD
H2G_01	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
KW7	170 Amp Alternator	Included	Included
LV3	Engine: 4.3L EcoTec3 V6	Included	Included
MYC	Transmission: Electronic 6-Speed Automatic w/OD	STD	STD
N33	Manual Tilt Wheel Steering Column	Included	Included
PAINT	Solid Paint	STD	STD
QBN	Tires: 255/70R17 AS BW	Included	Included
QBR	255/70R17 AS BW Spare Tire	Included	Included
RD6	Wheels: 17" x 8" Ultra Silver Painted Steel	Included	Included
STDSU	Heavy Duty Suspension	STD	STD
STDTM	Vinyl Seat Trim	Included	Included
UDC	3.5" Diagonal Monochromatic Display	Included	Included
VH6	Black (Semi-Gloss) Front Bumper	Included	Included
VJG	Black (Semi-Gloss) Rear Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
YF5	California State Emissions Requirements	NC	NC

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CODE	DESCRIPTION	INVOICE	MSRP
Z82	Trailer Package	\$359.45	\$395.00

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
: class IV trailering with harness, hitch  
Grille: black grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Console Ducts: console ducts  
Power Windows: power windows with front and rear 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console with storage  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Seatback Storage Pockets: 2 seatback storage pockets  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: SiriusXM AM/FM stereo with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Auto-levelling Headlights: auto-leveling headlights  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge

Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: full-size spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear 60-40 split-bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Door Trim Insert: vinyl door panel trim  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob

Interior Accents: chrome interior accents

Standard Engine:

Engine 285-hp, 4.3-liter V-6 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 1500  
**Series** Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 27,395.50	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b> (0 P) Summit White	
<b>Interior Color</b> (0 I) Jet Black w/Vinyl Seat Trim	
<b>Lic. Plate Type</b> Exempt	
<b>GVWR</b> 0	

\$ 27,720.50	Total Capitalized Amount (Delivered Price)
\$ 374.23	Depreciation Reserve @ <u>1.3500%</u>
\$ 72.70	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 446.93</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 32.40	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 5,266.70	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
EVS INC Amber Light Roof	C	\$ 714.00
Cross Body Tool Box	C	\$ 800.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 1500 Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB - US

Series ID: CC10743

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$33,731.1	\$35,100.00
Total Options	\$855.40	\$940.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$36,181.50</b>	<b>\$37,635.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2G-(0 I) Jet Black w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
A60	Locking Tailgate	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
AE7	40/20/40 Front Split Bench Seat	Included	Included
AEQ	Power Rear Windows w/Express Down	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AU3	Power Door Locks	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C5U	GVWR: 6,800 lbs (3,084 kgs)	STD	STD
CGN	Chevytec Spray-On Black Bedliner	\$495.95	\$545.00
CTT	Hitch Guidance	Included	Included
DEN	Black Manual Outside Mirrors	Included	Included
GAZ_01	(0 P) Summit White	NC	NC
GRILL	Black Grille	Included	Included
GU6	3.42 Rear Axle Ratio	STD	STD
H2G_01	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
KW7	170 Amp Alternator	Included	Included
LV3	Engine: 4.3L EcoTec3 V6	Included	Included
MYC	Transmission: Electronic 6-Speed Automatic w/OD	STD	STD
N33	Manual Tilt Wheel Steering Column	Included	Included
PAINT	Solid Paint	STD	STD
QBN	Tires: 255/70R17 AS BW	Included	Included
QBR	255/70R17 AS BW Spare Tire	Included	Included
RD6	Wheels: 17" x 8" Ultra Silver Painted Steel	Included	Included
STDSU	Heavy Duty Suspension	STD	STD
STDTM	Vinyl Seat Trim	Included	Included
UDC	3.5" Diagonal Monochromatic Display	Included	Included
VH6	Black (Semi-Gloss) Front Bumper	Included	Included
VJG	Black (Semi-Gloss) Rear Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
YF5	California State Emissions Requirements	NC	NC

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CODE	DESCRIPTION	INVOICE	MSRP
Z82	Trailer Package	\$359.45	\$395.00

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
: class IV trailering with harness, hitch  
Grille: black grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Console Ducts: console ducts  
Power Windows: power windows with front and rear 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console with storage  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Seatback Storage Pockets: 2 seatback storage pockets  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: SiriusXM AM/FM stereo with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Auto-levelling Headlights: auto-leveling headlights  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge

Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: full-size spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear 60-40 split-bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Door Trim Insert: vinyl door panel trim  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob

Interior Accents: chrome interior accents

Standard Engine:

Engine 285-hp, 4.3-liter V-6 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 1500  
**Series** Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 27,395.50	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	(0 P) Summit White
<b>Interior Color</b>	(0 I) Jet Black w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

\$ 27,720.50	Total Capitalized Amount (Delivered Price)
\$ 374.23	Depreciation Reserve @ <u>1.3500%</u>
\$ 72.70	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 446.93</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

\$ 0.00	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 32.40	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 5,266.70	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
EVS INC Amber Light	C	\$ 714.00
Crossbody Toolbox	C	\$ 800.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 1500 Work Truck 4x2 Crew Cab 6.6 ft. box 157 in. WB - US

Series ID: CC10743

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$33,731.1	\$35,100.00
Total Options	\$855.40	\$940.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$36,181.50</b>	<b>\$37,635.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2G-(0 I) Jet Black w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
A60	Locking Tailgate	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
AE7	40/20/40 Front Split Bench Seat	Included	Included
AEQ	Power Rear Windows w/Express Down	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AU3	Power Door Locks	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C5U	GVWR: 6,800 lbs (3,084 kgs)	STD	STD
CGN	Chevytec Spray-On Black Bedliner	\$495.95	\$545.00
CTT	Hitch Guidance	Included	Included
DEN	Black Manual Outside Mirrors	Included	Included
GAZ_01	(0 P) Summit White	NC	NC
GRILL	Black Grille	Included	Included
GU6	3.42 Rear Axle Ratio	STD	STD
H2G_01	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
KW7	170 Amp Alternator	Included	Included
LV3	Engine: 4.3L EcoTec3 V6	Included	Included
MYC	Transmission: Electronic 6-Speed Automatic w/OD	STD	STD
N33	Manual Tilt Wheel Steering Column	Included	Included
PAINT	Solid Paint	STD	STD
QBN	Tires: 255/70R17 AS BW	Included	Included
QBR	255/70R17 AS BW Spare Tire	Included	Included
RD6	Wheels: 17" x 8" Ultra Silver Painted Steel	Included	Included
STDSU	Heavy Duty Suspension	STD	STD
STDTM	Vinyl Seat Trim	Included	Included
UDC	3.5" Diagonal Monochromatic Display	Included	Included
VH6	Black (Semi-Gloss) Front Bumper	Included	Included
VJG	Black (Semi-Gloss) Rear Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
YF5	California State Emissions Requirements	NC	NC

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CODE	DESCRIPTION	INVOICE	MSRP
Z82	Trailer Package	\$359.45	\$395.00

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
: class IV trailering with harness, hitch  
Grille: black grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Console Ducts: console ducts  
Power Windows: power windows with front and rear 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console with storage  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Seatback Storage Pockets: 2 seatback storage pockets  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: SiriusXM AM/FM stereo with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Auto-levelling Headlights: auto-leveling headlights  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge

Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: full-size spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear 60-40 split-bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Door Trim Insert: vinyl door panel trim  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob

Interior Accents: chrome interior accents

Standard Engine:

Engine 285-hp, 4.3-liter V-6 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Silverado 1500

**Series** Work Truck 4x2 Double Cab 6.6 ft. box 147.4 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 24,960.80	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b> (0 P) Summit White	
<b>Interior Color</b> (0 I) Jet Black w/Vinyl Seat Trim	
<b>Lic. Plate Type</b> Exempt	
<b>GVWR</b> 0	

\$ 25,285.80	Total Capitalized Amount (Delivered Price)
\$ 341.36	Depreciation Reserve @ <u>1.3500%</u>
\$ 66.41	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 407.77</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

Master Policy Enrollment Fees  
Commercial Automobile Liability Enrollment  
Liability Limit \$0.00

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 29.56 Sales Tax 7.2500% **State** CA

**\$ 437.33 Total Monthly Rental Including Additional Services**

\$ 4,804.20	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Crossbody Toolbox	C	\$ 800.00
EVS INC Amber Light	C	\$ 714.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Silverado 1500 Work Truck 4x2 Double Cab 6.6 ft. box 147.4 in. WB - US

Series ID: CC10753

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$31,136.4	\$32,400.00
Total Options	\$855.40	\$940.00
Destination Charge	\$1,595.00	\$1,595.00
<b>Total Price</b>	<b>\$33,586.80</b>	<b>\$34,935.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2G-(0 I) Jet Black w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
1WT	Preferred Equipment Group 1WT	NC	NC
A60	Locking Tailgate	Included	Included
A68	Rear 60/40 Folding Bench Seat (Folds Up)	Included	Included
AE7	40/20/40 Front Split Bench Seat	Included	Included
AKP	Solar Absorbing Tinted Glass	Included	Included
AU3	Power Door Locks	Included	Included
AXG	Power Front Windows w/Driver Express Up/Down	Included	Included
BG9	Rubberized-Vinyl Floor Covering	Included	Included
BLUE	Bluetooth For Phone	Included	Included
C5U	GVWR: 6,800 lbs (3,084 kgs)	STD	STD
CGN	Chevytec Spray-On Black Bedliner	\$495.95	\$545.00
CTT	Hitch Guidance	Included	Included
DEN	Black Manual Outside Mirrors	Included	Included
GAZ_01	(0 P) Summit White	NC	NC
GRILL	Black Grille	Included	Included
GU6	3.42 Rear Axle Ratio	STD	STD
H2G_01	(0 I) Jet Black w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
KW7	170 Amp Alternator	Included	Included
LV3	Engine: 4.3L EcoTec3 V6	Included	Included
MYC	Transmission: Electronic 6-Speed Automatic w/OD	STD	STD
N33	Manual Tilt Wheel Steering Column	Included	Included
PAINT	Solid Paint	STD	STD
QBN	Tires: 255/70R17 AS BW	Included	Included
QBR	255/70R17 AS BW Spare Tire	Included	Included
RD6	Wheels: 17" x 8" Ultra Silver Painted Steel	Included	Included
STDSU	Heavy Duty Suspension	STD	STD
STDTM	Vinyl Seat Trim	Included	Included
UDC	3.5" Diagonal Monochromatic Display	Included	Included
VH6	Black (Semi-Gloss) Front Bumper	Included	Included
VJG	Black (Semi-Gloss) Rear Bumper	Included	Included
VK3	Front License Plate Kit	NC	NC
YF5	California State Emissions Requirements	NC	NC

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<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
Z82	Trailing Package	\$359.45	\$395.00

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## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: black front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
: class IV trailering with harness, hitch  
Grille: black grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Console Ducts: console ducts  
Power Windows: power windows with front and rear 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front cupholder  
Overhead Console: mini overhead console with storage  
Glove Box: locking glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Seatback Storage Pockets: 2 seatback storage pockets  
Dashboard Storage: dashboard storage  
IP Storage: covered bin instrument-panel storage  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 1 12V DC power outlet

### Entertainment Features:

radio: SiriusXM AM/FM stereo with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: fixed antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Auto-levelling Headlights: auto-leveling headlights  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Front Reading Lights: front and rear reading lights  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Voltmeter: voltmeter  
Exterior Temp: outside-temperature display  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Oil Pressure Gauge: oil pressure gauge

Water Temp Gauge: water temp. gauge  
Engine Hour Meter: engine hour meter  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Check Control: redundant digital speedometer  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning  
Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Oil Level Warning: low-oil-level warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning  
Brake Pad Wear: brake pad wear

#### Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Assistance: brake assist  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front and rear ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: full-size spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Rear Child Safety Locks: rear child safety locks  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

#### Seats And Trim:

Seating Capacity max. seating capacity of 6  
Front Bucket Seats: front split-bench 40-20-40 seats  
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Fore/Aft: manual driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest with storage  
Rear Seat Type: rear 60-40 split-bench seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Door Trim Insert: vinyl door panel trim  
Headliner Material: full cloth headliner  
Floor Covering: full vinyl/rubber floor covering  
Cabbback Insulator: cabbback insulator  
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert  
Shift Knob Trim: urethane shift knob

Interior Accents: chrome interior accents

Standard Engine:

Engine 285-hp, 4.3-liter V-6 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Colorado  
**Series** WT 4x2 Extended Cab 6 ft. box 128.3 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 23,530.45	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	(0 P) Summit White
<b>Interior Color</b>	(0 I) Jet Black/Dark Ash w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

<b>\$ 23,855.45</b>	Total Capitalized Amount (Delivered Price)
\$ 322.05	Depreciation Reserve @ <u>1.3500%</u>
\$ 62.71	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 384.76</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 27.90	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 4,532.45	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 17,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Crossbody Toolbox	C	\$ 800.00
EVS INC Amber light	C	\$ 714.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Colorado WT 4x2 Extended Cab 6 ft. box 128.3 in. WB - US

Series ID: 12M53

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$24,292.8	\$25,200.00
Total Options	\$468.65	\$515.00
Destination Charge	\$1,195.00	\$1,195.00
<b>Total Price</b>	<b>\$25,956.45</b>	<b>\$26,910.00</b>

**SELECTED COLOR:**

Exterior: GAZ-(0 P) Summit White  
 Interior: H2Q-(0 I) Jet Black/Dark Ash w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
2WT	Preferred Equipment Group 2WT	NC	NC
AH6	Driver 4-Way Power Seat Adjuster	Included	Included
AR7	Front Bucket Seats	STD	STD
CGN	Black Spray-On Bedliner w/Chevrolet Logo	\$432.25	\$475.00
CHL	GVWR: 5,400 lbs (2,449 kgs)	STD	STD
GAZ_01	(0 P) Summit White	NC	NC
GT5	4.10 Rear Axle Ratio	STD	STD
H2Q_01	(0 I) Jet Black/Dark Ash w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
LCV	Engine: 2.5L I4 DI DOHC VVT	STD	STD
MYB	Transmission: 6-Speed Automatic, HMD, 6L50	Included	Included
PAINT	Monotone Paint Application	STD	STD
QHR	Tires: 255/65R17 AS BW	STD	STD
RAP	Wheels: 17" x 8" Ultra Silver Metallic Steel	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
U2K	SiriusXM Radio	Included	Included
UQ3	6-Speaker Audio System Feature	Included	Included
VK3	Front License Plate Kit	\$36.40	\$40.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Driver Door: reverse opening rear passenger doors  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
Grille: chrome grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Power Windows: power windows with driver 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM/Satellite with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Front Windshield Visor Strip: front windshield visor strip  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 4  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: power height-adjustable driver and passenger seats  
Driver Fore/Aft: power driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear jump seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob  
Floor Mats: carpet front and rear floor mats

Standard Engine:

Engine 200-hp, 2.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Colorado  
**Series** WT 4x2 Extended Cab 6 ft. box 128.3 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 23,530.45	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Summit White
<b>Interior Color</b>	Jet Black/Dark Ash w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

<b>\$ 23,855.45</b>	Total Capitalized Amount (Delivered Price)
\$ 322.05	Depreciation Reserve @ <u>1.3500%</u>
\$ 62.71	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 384.76</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 27.90	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**\$ 412.66 Total Monthly Rental Including Additional Services**

\$ 4,532.45	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 17,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
EVS INC Amber light	C	\$ 714.00
Crossbody Toolbox	C	\$ 800.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Colorado WT 4x2 Extended Cab 6 ft. box 128.3 in. WB - US

Series ID: 12M53

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$24,292.8	\$25,200.00
Total Options	\$468.65	\$515.00
Destination Charge	\$1,195.00	\$1,195.00
<b>Total Price</b>	<b>\$25,956.45</b>	<b>\$26,910.00</b>

**SELECTED COLOR:**

Exterior: GAZ-Summit White  
 Interior: H2Q-Jet Black/Dark Ash w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
2WT	Preferred Equipment Group 2WT	NC	NC
AH6	Driver 4-Way Power Seat Adjuster	Included	Included
AR7	Front Bucket Seats	STD	STD
CGN	Black Spray-On Bedliner w/Chevrolet Logo	\$432.25	\$475.00
CHL	GVWR: 5,400 lbs (2,449 kgs)	STD	STD
GAZ_01	Summit White	NC	NC
GT5	4.10 Rear Axle Ratio	STD	STD
H2Q_01	Jet Black/Dark Ash w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
LCV	Engine: 2.5L I4 DI DOHC VVT	STD	STD
MYB	Transmission: 6-Speed Automatic, HMD, 6L50	Included	Included
PAINT	Monotone Paint Application	STD	STD
QHR	Tires: 255/65R17 AS BW	STD	STD
RAP	Wheels: 17" x 8" Ultra Silver Metallic Steel	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
U2K	SiriusXM Radio	Included	Included
UQ3	6-Speaker Audio System Feature	Included	Included
VK3	Front License Plate Kit	\$36.40	\$40.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Driver Door: reverse opening rear passenger doors  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
Grille: chrome grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Power Windows: power windows with driver 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM/Satellite with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Front Windshield Visor Strip: front windshield visor strip  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 4  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: power height-adjustable driver and passenger seats  
Driver Fore/Aft: power driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear jump seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob  
Floor Mats: carpet front and rear floor mats

Standard Engine:

Engine 200-hp, 2.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Colorado  
**Series** WT 4x2 Extended Cab 6 ft. box 128.3 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 23,530.45	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Summit White
<b>Interior Color</b>	Jet Black/Dark Ash w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

\$ 23,855.45	Total Capitalized Amount (Delivered Price)
\$ 322.05	Depreciation Reserve @ <u>1.3500%</u>
\$ 62.71	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 384.76</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 27.90	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 4,532.45	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 17,000  
(Current market and vehicle conditions may also affect value of vehicle)  
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**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

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**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

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**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Crossbody Toolbox	C	\$ 800.00
EVS INC Amber Light	C	\$ 714.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 1,514.00
<b>Aftermarket Equipment Total</b>		\$ 1,514.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Colorado WT 4x2 Extended Cab 6 ft. box 128.3 in. WB - US

Series ID: 12M53

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$24,292.8	\$25,200.00
Total Options	\$468.65	\$515.00
Destination Charge	\$1,195.00	\$1,195.00
<b>Total Price</b>	<b>\$25,956.45</b>	<b>\$26,910.00</b>

**SELECTED COLOR:**

Exterior: GAZ-Summit White  
 Interior: H2Q-Jet Black/Dark Ash w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
2WT	Preferred Equipment Group 2WT	NC	NC
AH6	Driver 4-Way Power Seat Adjuster	Included	Included
AR7	Front Bucket Seats	STD	STD
CGN	Black Spray-On Bedliner w/Chevrolet Logo	\$432.25	\$475.00
CHL	GVWR: 5,400 lbs (2,449 kgs)	STD	STD
GAZ_01	Summit White	NC	NC
GT5	4.10 Rear Axle Ratio	STD	STD
H2Q_01	Jet Black/Dark Ash w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
LCV	Engine: 2.5L I4 DI DOHC VVT	STD	STD
MYB	Transmission: 6-Speed Automatic, HMD, 6L50	Included	Included
PAINT	Monotone Paint Application	STD	STD
QHR	Tires: 255/65R17 AS BW	STD	STD
RAP	Wheels: 17" x 8" Ultra Silver Metallic Steel	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
U2K	SiriusXM Radio	Included	Included
UQ3	6-Speaker Audio System Feature	Included	Included
VK3	Front License Plate Kit	\$36.40	\$40.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Driver Door: reverse opening rear passenger doors  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
Grille: chrome grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Power Windows: power windows with driver 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM/Satellite with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Front Windshield Visor Strip: front windshield visor strip  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 4  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: power height-adjustable driver and passenger seats  
Driver Fore/Aft: power driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear jump seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob  
Floor Mats: carpet front and rear floor mats

Standard Engine:

Engine 200-hp, 2.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Colorado  
**Series** WT 4x2 Extended Cab 6 ft. box 128.3 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 23,530.45	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Summit White
<b>Interior Color</b>	Jet Black/Dark Ash w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

\$ 23,855.45	Total Capitalized Amount (Delivered Price)
\$ 322.05	Depreciation Reserve @ <u>1.3500%</u>
\$ 62.71	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 384.76</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**\$ 0.00 Additional Services SubTotal**

\$ 27.90	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

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**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
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**Other Totals**

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<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Colorado WT 4x2 Extended Cab 6 ft. box 128.3 in. WB - US

Series ID: 12M53

**Pricing Summary:**

	<b>INVOICE</b>	<b>MSRP</b>
Base Vehicle	\$24,292.8	\$25,200.00
Total Options	\$468.65	\$515.00
Destination Charge	\$1,195.00	\$1,195.00
<b>Total Price</b>	<b>\$25,956.45</b>	<b>\$26,910.00</b>

**SELECTED COLOR:**

Exterior: GAZ-Summit White  
 Interior: H2Q-Jet Black/Dark Ash w/Vinyl Seat Trim

**SELECTED OPTIONS:**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>INVOICE</b>	<b>MSRP</b>
2WT	Preferred Equipment Group 2WT	NC	NC
AH6	Driver 4-Way Power Seat Adjuster	Included	Included
AR7	Front Bucket Seats	STD	STD
CGN	Black Spray-On Bedliner w/Chevrolet Logo	\$432.25	\$475.00
CHL	GVWR: 5,400 lbs (2,449 kgs)	STD	STD
GAZ_01	Summit White	NC	NC
GT5	4.10 Rear Axle Ratio	STD	STD
H2Q_01	Jet Black/Dark Ash w/Vinyl Seat Trim	NC	NC
IOR	Radio: Chevrolet Infotainment 3 System	STD	STD
LCV	Engine: 2.5L I4 DI DOHC VVT	STD	STD
MYB	Transmission: 6-Speed Automatic, HMD, 6L50	Included	Included
PAINT	Monotone Paint Application	STD	STD
QHR	Tires: 255/65R17 AS BW	STD	STD
RAP	Wheels: 17" x 8" Ultra Silver Metallic Steel	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
U2K	SiriusXM Radio	Included	Included
UQ3	6-Speaker Audio System Feature	Included	Included
VK3	Front License Plate Kit	\$36.40	\$40.00
WARANT	Fleet Customer Powertrain Limited Warranty	NC	NC
YF5	California State Emissions Requirements	NC	NC

## CONFIGURED FEATURES:

### Body Exterior Features:

Number Of Doors: 4  
Rear Driver Door: reverse opening rear passenger doors  
Rear Cargo Door Type: tailgate  
Driver And Passenger Mirror: manual folding side-view door mirrors  
Door Handles: black  
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip  
Rear Step Bumper: rear step bumper  
Front License Plate Bracket: front license plate bracket  
Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
Grille: chrome grille

### Convenience Features:

Air Conditioning: manual air conditioning  
Power Windows: power windows with driver 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
Day-Night Rearview Mirror: day-night rearview mirror  
Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
Driver Footrest: driver's footrest  
Retained Accessory Power: retained accessory power  
Power Accessory Outlet: 2 12V DC power outlets

### Entertainment Features:

radio: SiriusXM AM/FM/Satellite with seek-scan  
Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

### Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps  
Cab Clearance Lights: cargo bed light  
Front Wipers: variable intermittent wipers  
Front Windshield Visor Strip: front windshield visor strip  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 4  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: power height-adjustable driver and passenger seats  
Driver Fore/Aft: power driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear jump seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob  
Floor Mats: carpet front and rear floor mats

Standard Engine:

Engine 200-hp, 2.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual

**Prepared For:** City of Lancaster, California  
Nevarez, Gabriel

**Date** 09/14/2020  
**AE/AM** LS2/PND

**Unit #**

**Year** 2021 **Make** Chevrolet **Model** Colorado  
**Series** WT 4x2 Extended Cab 6 ft. box 128.3 in. WB

**Vehicle Order Type** Ordered **Term** 60 **State** CA **Customer#** 486450

\$ 24,556.45	Capitalized Price of Vehicle <sup>1</sup>
\$ 0.00 *	Sales Tax <u>0.0000%</u> <b>State</b> <u>CA</u>
\$ 0.00 *	Initial License Fee
\$ 0.00 *	Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive ( Taxable Incentive Total : \$0.00 )

**All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.**

**Order Information**

<b>Driver Name</b>	
<b>Exterior Color</b>	Summit White
<b>Interior Color</b>	Jet Black/Dark Ash w/Vinyl Seat Trim
<b>Lic. Plate Type</b>	Exempt
<b>GVWR</b>	0

\$ 24,881.45	Total Capitalized Amount (Delivered Price)
\$ 335.90	Depreciation Reserve @ <u>1.3500%</u>
\$ 65.36	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) <sup>2</sup>
<b>\$ 401.26</b>	<b>Total Monthly Rental Excluding Additional Services</b>

**Additional Fleet Management**

	Master Policy Enrollment Fees
\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 0.00	Full Maintenance Program <sup>3</sup> Contract Miles <u>0</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

**Additional Services SubTotal**

\$ 29.09	Sales Tax <u>7.2500%</u>	<b>State</b> <u>CA</u>
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**Total Monthly Rental Including Additional Services**

\$ 4,727.45	Reduced Book Value at <u>60</u> Months
\$ 400.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 17,000  
(Current market and vehicle conditions may also affect value of vehicle)  
(Quote is Subject to Customer's Credit Approval)

**Notes**

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

**ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.**

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

**LESSEE** City of Lancaster, California

**BY** \_\_\_\_\_ **TITLE** \_\_\_\_\_ **DATE** \_\_\_\_\_

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

<sup>1</sup> Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

<sup>2</sup> Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

<sup>3</sup> The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

**Aftermarket Equipment Total**

Description	(B)illed or (C)apped	Price
Crossbody Toolbox	C	\$ 800.00
EVS INC Amber Light Front and Rear	C	\$ 1,740.00
<b>Total Aftermarket Equipment Billed</b>		\$ 0.00
<b>Total Aftermarket Equipment Capitalized</b>		\$ 2,540.00
<b>Aftermarket Equipment Total</b>		\$ 2,540.00

**Other Totals**

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
<b>Total Other Charges Billed</b>		\$ 0.00
<b>Total Other Charges Capitalized</b>		\$ 325.00
<b>Other Charges Total</b>		\$ 325.00

**VEHICLE INFORMATION:**

2021 Chevrolet Colorado WT 4x2 Extended Cab 6 ft. box 128.3 in. WB - US

Series ID: 12M53

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QHR	Tires: 255/65R17 AS BW	STD	STD
RAP	Wheels: 17" x 8" Ultra Silver Metallic Steel	STD	STD
STDTM	Vinyl Seat Trim	STD	STD
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UQ3	6-Speaker Audio System Feature	Included	Included
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YF5	California State Emissions Requirements	NC	NC

## CONFIGURED FEATURES:

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Rear Cargo Door Type: tailgate  
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Rear Step Bumper: rear step bumper  
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Bed Liner: bed liner  
Box Style: regular  
Body Material: galvanized steel/aluminum body material  
Grille: chrome grille

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Power Windows: power windows with driver 1-touch down  
Auto Locking: auto-locking doors  
Steering Wheel: steering wheel with manual tilting  
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Front Cupholder: front and rear cupholders  
Floor Console: full floor console with covered box  
Glove Box: glove box  
Driver Door Bin: driver and passenger door bins  
Rear Door Bins: rear door bins  
Dashboard Storage: dashboard storage  
IP Storage: bin instrument-panel storage  
Rear Underseat Storage Tray: rear underseat storage tray  
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Radio Data System: radio data system  
Audio Theft Deterrent: TheftLock  
Speakers: 6 speakers  
1st Row LCD: 1 1st row LCD monitor  
Wireless Connectivity: wireless phone connectivity  
Antenna: integrated roof antenna

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Front Windshield Visor Strip: front windshield visor strip  
Tinted Windows: light-tinted windows  
Dome Light: dome light with fade  
Variable IP Lighting: variable instrument panel lighting  
Display Type: analog display  
Tachometer: tachometer  
Low Tire Pressure Warning: tire specific low-tire-pressure warning  
Trip Computer: trip computer  
Trip Odometer: trip odometer  
Water Temp Gauge: water temp. gauge  
Clock: in-radio display clock  
Systems Monitor: systems monitor  
Rear Vision Camera: rear vision camera  
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning  
Battery Warning: battery warning  
Low Coolant Warning: low-coolant warning  
Lights On Warning: lights-on warning  
Key in Ignition Warning: key-in-ignition warning  
Low Fuel Warning: low-fuel warning  
Low Washer Fluid Warning: low-washer-fluid warning  
Door Ajar Warning: door-ajar warning  
Brake Fluid Warning: brake-fluid warning  
Turn Signal On Warning: turn-signal-on warning  
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS four-wheel ABS brakes  
Number of ABS Channels: 4 ABS channels  
Brake Type: four-wheel disc brakes  
Vented Disc Brakes: front ventilated disc brakes  
Daytime Running Lights: daytime running lights  
Spare Tire Type: compact spare tire  
Spare Tire Mount: underbody mounted spare tire w/crankdown  
Driver Front Impact Airbag: driver and passenger front-impact airbags  
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags  
Overhead Airbag: curtain 1st and 2nd row overhead airbag  
Occupancy Sensor: front passenger airbag occupancy sensor  
Height Adjustable Seatbelts: height adjustable front seatbelts  
Seatbelt Pretensioners: front seatbelt pre-tensioners  
Side Impact Bars: side-impact bars  
Tailgate/Rear Door Lock Type: manual tailgate/rear door lock  
Ignition Disable: immobilizer  
Electronic Stability: StabiliTrak w/Proactive Roll Avoidance electronic stability stability control with anti-roll  
Traction Control: ABS and driveline traction control  
Front and Rear Headrests: manual adjustable front head restraints  
Rear Headrest Control: 2 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 4  
Front Bucket Seats: front bucket seats  
Number of Driver Seat Adjustments: 6-way driver and passenger seat adjustments  
Reclining Driver Seat: manual reclining driver and passenger seats  
Driver Height Adjustment: power height-adjustable driver and passenger seats  
Driver Fore/Aft: power driver and passenger fore/aft adjustment  
Front Centre Armrest Storage: front centre armrest  
Rear Seat Type: rear jump seat  
Rear Folding Position: rear seat fold-up cushion  
Leather Upholstery: vinyl front and rear seat upholstery  
Headliner Material: full cloth headliner  
Floor Covering: full carpet floor covering  
Cabbback Insulator: cabbback insulator  
Shift Knob Trim: urethane shift knob  
Floor Mats: carpet front and rear floor mats

Standard Engine:

Engine 200-hp, 2.5-liter I-4 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and auto-manual



MEDIUM DUTY AND HEAVY DUTY INSURANCE ADDENDUM TO MASTER EQUITY LEASE AGREEMENT (LIABILITY COVERAGE)

This Addendum is made to the Master Equity Lease Agreement as amended (the "Agreement"), by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor") and the lessee whose name is set forth on the signature line below ("Lessee").

This Addendum is attached to and made a part of the Agreement (including each Schedule to the Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

Notwithstanding the provisions of Section 11 of the Agreement, Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Medium Duty and Heavy Duty Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability:

Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below:

14,001-26,000 GVWR: a minimum of \$1,000,000 Combined Single Limit Bodily Injury and Property Damage or a combination of Auto Combined Single Limit and Umbrella coverage - No Deductible

26,001-33,000 GVWR: a minimum of \$2,000,000 Combined Single Limit Bodily Injury and Property Damage or a combination of Auto Combined Single Limit and Umbrella coverage - No Deductible

33,001+ GVWR: a minimum of \$5,000,000 Combined Single Limit Bodily Injury and Property Damage or a combination of Auto Combined Single Limit and Umbrella coverage- No Deductible

Vehicles with specialized aftermarket may require additional coverage beyond the stated minimum limits noted above at the discretion of the Lessor.

Except as amended hereby, all the terms and provisions set forth in Section 11 and the Agreement shall remain in full force and effect. In the event of any conflict between this Addendum and the Agreement or any of the Schedules, the terms and provisions of this Addendum will govern and control

LESSEE: City of Lancaster, California

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: 44933 Fern Ave.
Lancaster, CA 93534

Date Signed: \_\_\_\_\_

LESSOR: Enterprise FM Trust
By: Enterprise Fleet Management, Inc. its attorney in fact

Signature: \_\_\_\_\_

By: Brock Flynn

Title: Regional Sales Manager

Address: 5805 Sepulveda Blvd Ste 800
Van Nuys, CA 91411

Date Signed: \_\_\_\_\_



FLEET MANAGEMENT

MAINTENANCE AGREEMENT

This Maintenance Agreement (this "Agreement") is made and entered into this 24th day of September 2018, by Enterprise Fleet Management, Inc., a Missouri corporation ("EFM"), and City of Lancaster, California ("Lessee").

WITNESSETH

- 1. LEASE. Reference is hereby made to that certain Master Lease Agreement dated as of the 24th day of September 2018, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor ("Lessor"), and Lessee, as lessee (as the same may from time to time be amended, modified, extended, renewed, supplemented or restated, the "Lease"). All capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Lease.
2. COVERED VEHICLES. This Agreement shall only apply to those vehicles leased by Lessor to Lessee pursuant to the Lease to the extent Section 4 of the Schedule for such vehicle includes a charge for maintenance (the "Covered Vehicle(s)").
3. TERM AND TERMINATION. The term of this Agreement ("Term") for each Covered Vehicle shall begin on the Delivery Date of such Covered Vehicle and shall continue until the last day of the "Term" (as defined in the Lease) for such Covered Vehicle unless earlier terminated as set forth below. Each of EFM and Lessee shall each have the right to terminate this Agreement effective as of the last day of any calendar month with respect to any or all of the Covered Vehicles upon not less than sixty (60) days prior written notice to the other party. The termination of this Agreement with respect to any or all of the Covered Vehicles shall not affect any rights or obligations under this Agreement which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to termination, and such rights and obligations shall continue to be governed by the terms of this Agreement.
4. VEHICLE REPAIRS AND SERVICE. EFM agrees that, during the Term for the applicable Covered Vehicle and subject to the terms and conditions of this Agreement, it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of a Covered Vehicle. This Agreement does not cover, and Lessee will remain responsible for and pay for, (a) fuel, (b) oil and other fluids between changes, (c) tire repair and replacement, (d) washing, (e) repair of damage due to lack of maintenance by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (f) maintenance or repair of any alterations to a Covered Vehicle or of any after-market components (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans) or other equipment (including, without limitation, lift gates and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (g) any service and/or damage resulting from, related to or arising out of an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or Lessee's failure to maintain the Covered Vehicle as required by the Lease, (h) roadside assistance or towing for vehicle maintenance purposes, (i) mobile services, (j) the cost of loaner or rental vehicles or (k) if the Covered Vehicle is a truck, (i) manual transmission clutch adjustment or replacement, (ii) brake adjustment or replacement or (iii) front axle alignment. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to EFM. In every case, if the cost of such service will exceed \$50.00, Lessee must notify EFM and obtain EFM's authorization for such service and EFM's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM will not be obligated to pay for any unauthorized charges or those exceeding \$50.00 for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. EFM will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by EFM. Notwithstanding any other provision of this Agreement to the contrary, (a) all service performed within one hundred twenty (120) days prior to the last day of the scheduled "Term" (as defined in the Lease) for the applicable Covered Vehicle must be authorized by and have the prior consent and approval of EFM and any service not so authorized will be the responsibility of and be paid for by Lessee and (b) EFM is not required to provide or pay for any service to any Covered Vehicle after 100,000 miles.
5. ENTERPRISE CARDS: EFM may, at its option, provide Lessee with an authorization card (the "EFM Card") for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to EFM for, and upon receipt of a monthly or other statement from EFM, Lessee agrees to promptly pay to EFM, all charges made by or for the account of Lessee with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM reserves the right to change the terms and conditions for the use of the EFM Card at any time. The EFM Card remains the property of EFM and EFM may revoke Lessee's right to possess or use the EFM Card at any time. Upon the termination of this Agreement or upon the demand of EFM, Lessee must return the EFM Card to EFM. The EFM Card is non-transferable.
6. PAYMENT TERMS. The amount of the monthly maintenance fee will be listed on the applicable Schedule and will be due and payable in advance on the first day of each month. If the first day of the Term for a Covered Vehicle is other than the first day of a calendar month, Lessee will pay EFM, on the first day of the Term for such Covered Vehicle, a pro-rated maintenance fee for the number of days that the Delivery Date precedes the first monthly maintenance fee payment date. Any monthly maintenance fee or other amount owed by Lessee to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate allowed by applicable law. The monthly maintenance fee set forth on each applicable Schedule allows the number of miles per month as set forth

Initials: EFM [Signature] Customer [Signature]

in such Schedule. Lessee agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule. EFM may, at its option, permit Lessor, as an agent for EFM, to bill and collect amounts due to EFM under this Agreement from Lessee on behalf of EFM.

7. NO WARRANTIES. Lessee acknowledges that EFM does not perform maintenance or repair services on the Covered Vehicles but rather EFM arranges for maintenance and/or repair services on the Covered Vehicles to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE OR QUALITY. ANY DEFECT IN THE PERFORMANCE OF ANY PRODUCT, REPAIR OR SERVICE WILL NOT RELIEVE LESSEE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THE PAYMENT TO EFM OF THE MONTHLY MAINTENANCE FEES AND OTHER CHARGES DUE UNDER THIS AGREEMENT.

8. LESSOR NOT A PARTY. Lessor is not a party to, and shall have no rights, obligations or duties under or in respect of, this Agreement.

9. NOTICES. Any notice or other communication under this Agreement shall be in writing and delivered in person or sent by facsimile, recognized overnight courier or registered or certified mail, return receipt requested and postage prepaid, to the applicable party at its address or facsimile number set forth on the signature page of this Agreement, or at such other address or facsimile number as any party hereto may designate as its address or facsimile number for communications under this Agreement by notice so given. Such notices shall be deemed effective on the day on which delivered or sent if delivered in person or sent by facsimile, on the first (1st) business day after the day on which sent, if sent by recognized overnight courier or on the third (3rd) business day after the day on which mailed, if sent by registered or certified mail.

10. MISCELLANEOUS. This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. This Agreement may be amended only by an agreement in writing signed by EFM and Lessee. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and Lessee have executed this Maintenance Agreement as of the day and year first above written.

LESSEE: City of Lancaster, California

Signature: \_\_\_\_\_ *RJ*

By: CITY MANAGER

Title: JASON CAUDLE

Address: 4433 FERN AVENUE

LANCASTER, CA 93534

Attention: ANDREW NOGA

Fax #: \_\_\_\_\_

Date Signed: 4/24/19

EFM: Enterprise Fleet Management, Inc.

Signature: \_\_\_\_\_ *[Signature]*

By: Cameron Yenokida

Title: Regional Manager

Address: Enterprise Fleet Management

1515 W 190th Street, Suite 500

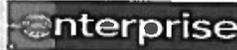
Gardena, CA 90248

Attention: \_\_\_\_\_

Fax #: \_\_\_\_\_

Date Signed: 4/29/19

Initials: EFM *[Signature]* Customer *[Signature]*



**FLEET MANAGEMENT**

AMENDMENT TO MAINTENANCE AGREEMENT

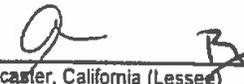
THIS AMENDMENT ("Amendment") dated this \_\_\_\_ day of September, 2018 is attached to, and made a part of, the MAINTENANCE AGREEMENT entered into on the \_\_\_\_ day of September, 2018 ("Agreement") by and between Enterprise Fleet Management Inc., a Missouri corporation ("EFM") and City of Lancaster, California ("Lessee"). This Amendment is made for good and valuable consideration, the receipt of which is hereby acknowledged by the parties.

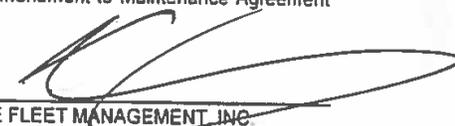
Section 10 of the Maintenance Agreement is amended to read as follows:

This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. This Agreement may be amended only by an agreement in writing signed by EFM and Lessee. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of California (without reference to conflict of law principles).

All references in the Agreement and in the various Schedules and addenda to the Agreement and any other references of similar import shall henceforth mean the Agreement as amended by this Amendment. Except to the extent specifically amended by this Amendment, all of the terms, provisions, conditions, covenants, representations and warranties contained in the Agreement shall be and remain in full force and effect and the same are hereby ratified and confirmed.

IN WITNESS WHEREOF, EFM and Lessee have executed this Amendment to Maintenance Agreement as of the 24<sup>th</sup> day of September, 2018.

  
\_\_\_\_\_  
City of Lancaster, California (Lessee)  
By: JASON CAUDLE  
Title: CITY MANAGER

  
\_\_\_\_\_  
ENTERPRISE FLEET MANAGEMENT INC.  
By: \_\_\_\_\_  
Title: Cameron Yenokida  
Regional Manager

**Enterprise Fleet Management  
1515 W. 190th Street, Suite 500  
Gardena, CA 90248**



FLEET MANAGEMENT

MASTER EQUITY LEASE AGREEMENT

This Master Equity Lease Agreement is entered into this 24th day of September 2018, by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee")

1. LEASE OF VEHICLES: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

2. TERM: The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

3. RENT AND OTHER CHARGES:

(a) Lessee agrees to pay Lessor monthly rental and other payments according to the Schedules and this Agreement. The monthly payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule (with any portion of such amount identified as a charge for maintenance services under Section 4 of the applicable Schedule being payable to Lessor as agent for Enterprise Fleet Management, Inc.) and will be due and payable in advance on the first day of each month. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c). Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date.

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule. If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment within thirty (30) days after the end of the applicable Term. Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i.e., if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence. The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule minus (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle plus (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle.

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").

(f) If Lessee fails to pay any amount due under this Agreement or to comply with any of the covenants contained in this Agreement, Lessor, Servicer or any other agent of Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

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(g) Lessee's obligations to make all payments of rent and other amounts under this Agreement are absolute and unconditional and such payments shall be made in immediately available funds without setoff, counterclaim or deduction of any kind. Lessee acknowledges and agrees that neither any Casualty Occurrence to any Vehicle nor any defect, unfitness or lack of governmental approval in, of, or with respect to, any Vehicle regardless of the cause or consequence nor any breach by Enterprise Fleet Management, Inc. of any maintenance agreement between Enterprise Fleet Management, Inc. and Lessee covering any Vehicle regardless of the cause or consequence will relieve Lessee from the performance of any of its obligations under this Agreement, including, without limitation, the payment of rent and other amounts under this Agreement.

**4. USE AND SURRENDER OF VEHICLES:** Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no Vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

**5. COSTS, EXPENSES, FEES AND CHARGES:** Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, registration, delivery, purchase, sale, rental, use or operation of the Vehicles during the Term. If Lessor, Servicer or any other agent of Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

**6. LICENSE AND CHARGES:** Each Vehicle will be titled and licensed in the name designated by Lessor at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

**7. REGISTRATION PLATES, ETC.:** Lessee agrees, at its expense, to obtain in the name designated by Lessor all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling and/or registration laws of such other state.

**8. MAINTENANCE OF AND IMPROVEMENTS TO VEHICLES:**

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Any alterations, additions, replacement parts or improvements to a Vehicle will become and remain the property of Lessor and will be returned with such Vehicle upon such Vehicle's return pursuant to Section 4. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Lessee shall have the right to remove any additional equipment installed by Lessee on a Vehicle prior to returning such Vehicle to Lessor under Section 4. The value of such alterations, additions, replacement parts and improvements will in no instance be regarded as rent. Without the prior written consent of Lessor, Lessee will not make any alterations, additions, replacement parts or improvements to any Vehicle which detract from its economic value or functional utility. Lessor will not be required to make any repairs or replacements of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or to make any expenditure whatsoever in connection with any Vehicle or this Agreement.

(b) Lessor and Lessee acknowledge and agree that if Section 4 of a Schedule includes a charge for maintenance, (i) the Vehicle(s) covered by such Schedule are subject to a separate maintenance agreement between Enterprise Fleet Management, Inc. and Lessee and (ii) Lessor shall have no liability or responsibility for any failure of Enterprise Fleet Management, Inc. to perform any of its obligations thereunder or to pay or reimburse Lessee for its payment of any costs and expenses incurred in connection with the maintenance or repair of any such Vehicle(s).

**9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:**

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle.

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(c) None of Lessor, Servicer or any other agent of Lessor will be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, none of Lessor, Servicer or any other agent of Lessor will have any liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

10. RISK OF LOSS: Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). In the event of a Casualty Occurrence to a Vehicle, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

11. INSURANCE:

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability:

(i) Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below (Note - \$2,000,000 Combined Single Limit Bodily Injury and Property Damage with No Deductible is required for each Vehicle capable of transporting more than 8 passengers):

<u>State of Vehicle Registration</u>	<u>Coverage</u>
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	\$1,000,000 Combined Single Limit Bodily Injury and Property Damage - No Deductible
Florida	\$500,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible
All Other States	\$300,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive): Actual cash value of the applicable Vehicle. Maximum deductible of \$500 per occurrence - Collision and \$250 per occurrence - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher insurance requirements. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor and any other person or entity designated by Lessor as additional insureds and loss payees, as their respective interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor, Servicer and any other person or entity designated by Lessor at least thirty (30) days prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person or entity shall affect the right of Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee, Lessor, Servicer, any other agent of Lessor and their respective successors and assigns notwithstanding any other coverage carried by Lessee, Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns protecting against similar risks. Original certificates evidencing such coverage and naming Lessor, Servicer, any other agent of Lessor and any other person or entity designated by Lessor as additional insureds and loss payees shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor, Servicer and any other agent of Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor, Servicer or any other agent of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor, Servicer, any other agent of Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage waiver, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage waiver shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered

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Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement, and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee, by adding Lessee as an additional insured under a commercial automobile liability insurance policy issued by an insurance company selected by Lessor, commercial automobile liability insurance satisfying the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage waiver and/or commercial automobile liability enrollment and cancel such physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least ten (10) days prior written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect any such change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least thirty (30) days prior written notice.

**12. INDEMNITY:** To the extent permitted by state law, Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement. Nothing herein shall be deemed to affect the rights, privileges, and immunities of Lessee and the foregoing indemnity provision is not intended to be a waiver of any sovereign immunity afforded to Lessee pursuant to the law.

**13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS:** Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor, Servicer, any other agent of Lessor and any of their respective successors or assigns will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

**14. DEFAULT; REMEDIES:** The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement and any such failure shall remain unremedied for ten (10) days; (b) if Lessee fails to perform, keep or observe any term, provision or covenant contained in Section 11 of this Agreement; (c) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement and any such failure shall remain unremedied for thirty (30) days after written notice thereof is given by Lessor, Servicer or any other agent of Lessor to Lessee; (d) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (e) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (f) the occurrence of a material adverse change in the financial condition or business of Lessee or any guarantor; or (g) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, The Crawford Group, Inc. or any direct or indirect subsidiary of The Crawford Group, Inc.. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor, Servicer, any other agent of Lessor and any of Lessor's independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns in attempting or effecting enforcement of Lessor's rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be \$0.00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence); and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

**15. ASSIGNMENTS:** Lessor may from time to time assign, pledge or transfer this Agreement and/or any or all of its rights and obligations under this Agreement to any person or entity. Lessee agrees, upon notice of any such assignment, pledge or transfer of any amounts due or to become due to Lessor under this Agreement to pay all such amounts to such assignee, pledgee or transferee. Any such assignee, pledgee or transferee of any rights or obligations of Lessor under this Agreement will have all of the rights and obligations that have been assigned to it. Lessee's rights and interest in and to the Vehicles are and will continue

Initials: EFM

Customer 

at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing. Lessee acknowledges and agrees that the rights of any assignee, pledgee or transferee in and to any amounts payable by the Lessee under any provisions of this Agreement shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, setoff, counterclaim or recoupment whatsoever, whether by reason of any damage to or loss or destruction of any Vehicle or by reason of any defect in or failure of title of the Lessor or interruption from whatsoever cause in the use, operation or possession of any Vehicle, or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor or any of its affiliates to the Lessee or to any other person or entity, or for any other reason.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

16. MISCELLANEOUS: This Agreement contains the entire understanding of the parties. This Agreement may only be amended or modified by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including facsimile and pdf counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

17. SUCCESSORS AND ASSIGNS; GOVERNING LAW: Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

18. NON-PETITION: Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after payment in full of all indebtedness of Lessor, it shall not institute against, or join any other person in instituting against, Lessor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States. The provisions of this Section 18 shall survive termination of this Master Equity Lease Agreement.

19. NON-APPROPRIATION: Lessee's funding of this Agreement shall be on a Fiscal Year basis and is subject to annual appropriations. Lessor acknowledges that Lessee is a municipal corporation, is precluded by the County or State Constitution and other laws from entering into obligations that financially bind future governing bodies, and that, therefore, nothing in this Agreement shall constitute an obligation of future legislative bodies of the County or State to appropriate funds for purposes of this Agreement. Accordingly, the parties agree that the lease terms within this Agreement or any Schedules relating hereto are contingent upon appropriation of funds. The parties further agree that should the County or State fail to appropriate such funds, the Lessor shall be paid all rentals due and owing hereunder up until the actual day of termination. In addition, Lessor reserves the right to be paid for any reasonable damages. These reasonable damages will be limited to the losses incurred by the Lessor for having to sell the vehicles on the open used car market prior to the end of the scheduled term (as determined in Section 3 and Section 14 of this Agreement).

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written.

LESSEE: City of Lancaster, California  
Signature: [Signature]  
By: JASON CAUDIE  
Title: CITY MANAGER  
Address: 44933 FERN AVENUE  
LANCASTER, CA 93534  
Date Signed: 4/24/19

LESSOR: Enterprise FM Trust  
By: Enterprise Fleet Management, Inc. its attorney in fact  
Signature: [Signature]  
By: Cameron Yenokida  
Title: Regional Manager  
Address: Enterprise Fleet Management  
1515 W. 190th Street, Suite 500  
Gardena, CA 90248  
Date Signed: 4/29/19

Initials: EFM [Initials] Customer [Initials]

  
**FLEET MANAGEMENT**

AMENDMENT TO MASTER EQUITY LEASE AGREEMENT

THIS AMENDMENT ("Amendment") dated this \_\_\_\_ day of September, 2018 is attached to, and made a part of, the MASTER EQUITY LEASE AGREEMENT entered into on the \_\_\_\_ day of September, 2018 ("Agreement") by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor") and City of Lancaster, California ("Lessee"). This Amendment is made for good and valuable consideration, the receipt of which is hereby acknowledged by the parties.

Section 1 of the Master Equity Lease Agreement is amended to read as follows:

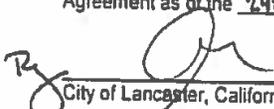
Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within twenty (20) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

Section 17 of the Master Equity Lease Agreement is amended to read as follows:

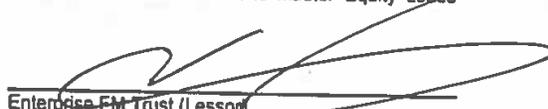
Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of California (determined without reference to conflict of law principles).

All references in the Agreement and in the various Schedules and addenda to the Agreement and any other references of similar import shall henceforth mean the Agreement as amended by this Amendment. Except to the extent specifically amended by this Amendment, all of the terms, provisions, conditions, covenants, representations and warranties contained in the Agreement shall be and remain in full force and effect and the same are hereby ratified and confirmed.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment to Master Equity Lease Agreement as of the 24<sup>th</sup> day of September, 2018.

  
\_\_\_\_\_  
City of Lancaster, California (Lessee)

By JASON CAUDIE  
\_\_\_\_\_  
Title: CITY MANAGER

  
\_\_\_\_\_  
Enterprise FM Trust (Lessor)  
By: Enterprise Fleet Management, Inc., its attorney in fact

By Cameron Yenokida  
\_\_\_\_\_  
Title: Regional Manager

Enterprise Fleet Management  
1515 W. 190th Street, Suite 500  
Gardena, CA 90248

**enterprise**  
**FLEET MANAGEMENT**

**SELF-INSURANCE ADDENDUM TO MASTER WALKAWAY LEASE AGREEMENT**  
**(Physical Damage Only)**

This Addendum is made to the Master Walkaway Lease Agreement dated the 24<sup>th</sup> day of September 2018, as amended (the "Agreement"), by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name is set forth on the signature line below ("Lessee").

This Addendum is attached to and made a part of the Agreement (including each Schedule to the Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

Notwithstanding the provisions of Section 11 of the Agreement, Lessee shall be permitted to assume and self-insure the physical damage risks (but not the liability risks) set forth in Section 11 of the Agreement and shall not be required to purchase or maintain any Physical Damage insurance policy of any kind with respect to any Vehicle; provided, however, that if any Federal, state, local or other law, statute, rule, regulation or ordinance requires Lessee to maintain any amount of physical damage insurance with respect to any Vehicle, Lessee shall purchase and maintain such amount of insurance in the form of an insurance policy which complies in all respects, other than the amount of insurance required, with Section 11 of the Agreement.

Notwithstanding the foregoing, if (a) Lessor, at any time in its good faith judgment, is not satisfied with the financial condition of Lessee or (b) any "Event of Default" (as defined therein) occurs under the Agreement, then Lessor may, at its option, revoke this Addendum and terminate Lessee's right to self-insure by providing Lessee with at least thirty (30) days prior written notice thereof. Upon the termination of Lessee's right to self-insure, Lessee shall comply in all respects with Section 11 of the Agreement and Lessee shall furnish Lessor with satisfactory proof that the required insurance coverages are in effect.

Except as amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect. In the event of any conflict between this Addendum and the Agreement or any of the Schedules, the terms and provisions of this Addendum will govern and control.

LESSEE: City of Lancaster, California

By: JASON CAUDLE  
Title: CITY MANAGER

Date Signed: APRIL 24 2019

LESSOR: Enterprise FM Trust  
By: Enterprise Fleet Management, Inc. Its attorney in fact

By: Cameron Yoshida  
Regional Manager

Title: Enterprise Fleet Management  
Date Signed: 1515 W. 190th Street, Suite 500  
Gardena, CA 90248

4/29/19



FLEET MANAGEMENT

SELF-INSURANCE ADDENDUM TO MASTER EQUITY LEASE AGREEMENT  
(Physical Damage Only)

This Addendum is made to the Master Equity Lease Agreement dated 24<sup>th</sup> day of September 2018, as amended (the "Agreement"), by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name is set forth on the signature line below ("Lessee")

This Addendum is attached to and made a part of the Agreement (including each Schedule to the Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

Notwithstanding the provisions of Section 11 of the Agreement, Lessee shall be permitted to assume and self-insure the risks covered by the Physical Damage insurance policy set forth in Section 11 of the Agreement and shall not be required to purchase or maintain any Physical Damage insurance policy of any kind with respect to any Vehicle; provided, however, that if any Federal, state, local or other law, statute, rule, regulation or ordinance requires Lessee to maintain any amount of Physical Damage insurance with respect to any Vehicle, Lessee shall purchase and maintain such amount of Physical Damage insurance in the form of a Physical Damage insurance policy which complies in all respects, other than the amount of Physical Damage insurance required, with Section 11 of the Agreement.

Notwithstanding the foregoing, if (1) Lessor, at any time in its good faith judgment, is not satisfied with the condition, prospects or performances, financial or otherwise, of Lessee or (2) any default or event of default occurs under the Agreement, then Lessor may, at its option, revoke this Addendum and terminate Lessee's right to self-insure by providing Lessee with at least thirty (30) days prior written notice thereof. Upon the termination of Lessee's right to self-insure, Lessee shall comply in all respects with Section 11 of the Agreement.

Except as amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect. In the event of any conflict between this Addendum and the Agreement or any of the Schedules, the terms and provisions of this Addendum will govern and control

LESSEE: [Signature]  
By: JASON CAUDLE  
Title: CITY MANAGER  
Date Signed: APRIL 24 2019

LESSOR: Enterprise FM Trust  
By: [Signature]  
By: Kevin Morrissey  
Title: Vice President  
Date Signed: April 25, 2019

**STAFF REPORT**  
**City of Lancaster**

10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: George Harris, Director of Finance 

Subject: Renewal of Pacific Design and Integration, dba GovTV, Video Production System License and Video Services Agreement

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**Recommendation:**

Approve the Video Production System License and Video Services Agreement renewal between the City of Lancaster and Pacific Design and Integration, dba GovTV for the initial three (3) year term.

**Financial Impact:**

An amount not to exceed \$200,700.00 for the initial three (3) year term or \$66,900.00 per year based upon servicing seven (7) meetings per month. Said funds are to be paid out of account 101-4207-296 (PEG Fee Expense (Non Cap)).

**Background:**

Pacific Design and Integration, dba GovTV, televises the City of Lancaster's government meetings via the BroadcastManager System, an IP-controlled device that enables GovTV to remotely create a professional quality video feed that will be seamlessly integrated with the City's agenda management vendor live streaming and archive solution.

The specific services provided with the installation of the BroadcastManager System include:

- Simple Emergency Broadcasting Operation by City staff
- Installation of five (5) video camera in the City Council Chambers
- Installation of video cabling from each camera location to the BroadcastManager System
- Integration of the BroadcastManager System with the City's agenda management vendor's local encoder

Pacific Design and Integration, dba GovTV, will remotely televise all of the City of Lancaster's public meetings to create a broadcast feed to be distributed via the City of Lancaster's Channel 28 together with a video feed to be streamed and distributed via the City's agenda management vendor. They will control all cameras to provide "live directing" to ensure the current speaker/meeting participant is shown "on-screen" in a timely manner, together with ensuring that all on-screen graphics are integrated during the City Council Meetings broadcasts.

## VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT-RENEWAL

This **VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT** (the “**Agreement**”), dated as of **September 1, 2020** (the “**Effective Date**”), is entered into between Pacific Design and Integration, Inc., a California corporation doing business as GovTV (“GovTV”), and the City of Lancaster, California (“Lancaster”). Each party to this Agreement may be referred to individually herein as a “Party” or collectively as the “Parties.”

- A. WHEREAS, GovTV is in the business of developing, licensing, installing, servicing and remotely operating professional quality video production equipment and software systems. GovTV developed and owns a proprietary video production system known as “BroadcastManager,” which GovTV custom-designs and operates to generate an audio/video feed of government meetings that is suitable for broadcasting, cablecasting and webcasting (the “BroadcastManager System,” which is more fully described in the Proposal attached hereto and incorporated herein as Exhibit A); and
- B. WHEREAS, Lancaster desires to (i) license the BroadcastManager System as set forth in the Proposal attached hereto as Exhibit A; (ii) engage GovTV and the BroadcastManager System at Lancaster’s government meeting facilities; and (iii) contract with GovTV to remotely operate, maintain and repair the BroadcastManager System at Lancaster’s government meeting facilities to generate a professional quality audio/video feed that is suitable for distribution to Granicus, Inc.’s (or similar) encoder and Internet distribution and other processing by Granicus, Inc. (or similar).

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, covenants, representations and warranties herein contained, the parties hereby incorporate the recitals set forth above and agree as follows:

### 1. The BroadcastManager System and related Video Services.

- 1.1 *System and Services.* Subject to the terms and conditions of this Agreement, GovTV will license the BroadcastManager System to Lancaster as set forth in the Proposal attached hereto as Exhibit A for a period of three years and shall remotely operate, maintain and repair the BroadcastManager System as provided below. GovTV will address and restore any loss of service caused by GovTV within 24 hours.

### 2. Grant of License.

- 2.1 *Ownership.* GovTV, and/or its third party supplier, own the BroadcastManager System including, without limitation, all hardware and software components and proprietary information protectable by law.
- 2.2 *Use.* On condition that *only* GovTV and no one else be permitted to access, operate, maintain and service the BroadcastManager System, GovTV agrees to provide Lancaster with a revocable, non-sub licensable, non-transferable and non-exclusive right to use the BroadcastManager System. “Use” of the BroadcastManager System shall mean any public televising, broadcasting, cablecasting, webcasting, streaming, document posting, podcasting, or internal streaming by Lancaster that is not for system testing or validation purposes. All GovTV’s software, procedures and know-how are proprietary to GovTV and protected to the full extent provided by intellectual

property laws and international intellectual property treaties. Pursuant to this Agreement, GovTV, under the general direction of, and in coordination with Lancaster, or its designee, shall diligently operate the BroadcastManager System to produce an audio/video feed of Lancaster's government meetings and shall perform other services as specified in the Proposal attached hereto as Exhibit A. GovTV shall faithfully perform the work specified in Exhibit A in accordance with the standards of care, skill, training, diligence and judgment provided by competent individuals and entities that perform services of a similar nature in the television production industry. GovTV further agrees that during the term of this Agreement it shall fully coordinate its work with any person or firm under contract with Lancaster doing work or providing services that affect GovTV's services. Cancellation of this Agreement regarding GovTV's services will result in the immediate termination of Lancaster's license as described in this Section 2.2 and elsewhere herein. If in the event Lancaster chooses to purchase additional equipment that would enable local control by Lancaster of the broadcasting systems, this sub-section would not apply.

- 2.3 *Limited Warranty; Exclusive Remedies.* For as long as Lancaster pays for and receives GovTV's services under this Agreement, and subject to Sections 7.2 and 7.3 hereof, GovTV warrants that the BroadcastManager System, as provided by GovTV, will substantially perform in accordance with its applicable written specifications. Lancaster's sole and exclusive remedy for any breach by GovTV of this warranty is to notify GovTV, with sufficient detail of the nonconformance, and provide GovTV with a reasonable opportunity, and in no event not less than thirty days, to correct or replace any potentially defective components of the BroadcastManager System. This Section relates solely to breach of the limited warranty stated herein and does not alter or supersede the response and restoration timeframes stated elsewhere in this Agreement. Lancaster agrees to comply with GovTV's reasonable instructions with respect to any potentially defective components of The BroadcastManager System.
- 2.4 *Ownership of System; Limitations on Use.* Except for the license in Section 2.2, GovTV retains all ownership and proprietary rights in and to the BroadcastManager System, and Lancaster is not permitted, and will not assist or permit a third party, to: (a) utilize the BroadcastManager System in any capacity including, without limitation, the capacity of a service bureau or on a time share basis; (b) reverse engineer, decompile or otherwise attempt to derive source code from the BroadcastManager System; (c) provide, disclose, or otherwise make available the BroadcastManager System, or components or copies thereof, to any third party; or (d) share, loan, or otherwise allow another Meeting Body, in or outside Lancaster's jurisdiction, to use the BroadcastManager System, or any components or copies thereof. "Meeting Body" as used herein shall mean a unique board, commission, agency, or council body comprised of appointed or elected officials that meet in a public capacity with the objective of performing decisions through a democratic voting process. Current Lancaster meeting bodies serviced; City Council meetings, Planning Commission meetings, Criminal Justice Commission meetings, Antelope Valley Healthy Community Commission meetings, Architectural Design Commission meetings, Homeless Impact Commission meetings, County Sanitation District 14 meetings and any other one off meetings linked to City business. Two or more Meeting Bodies may be comprised of some or all of the same members or officials but may still be considered separate and unique Meeting Bodies at GovTV's sole discretion. For example, committees, subcommittees, city councils, planning commissions, parks and recreation departments, boards of supervisors, school boards/districts, and redevelopment agencies may be considered separate and unique individual Meeting Bodies at GovTV's sole discretion.

2.5 *Security Measures regarding the BroadcastManager System.* Lancaster shall take appropriate action by instruction, agreement, or otherwise with those of its employees and third party agents who may have access to the BroadcastManager System to protect the security thereof, including, without limitation, prohibiting anyone and everyone other than a person authorized by GovTV, from using, operating, servicing, repairing, replacing, moving, copying, modifying, disclosing, and/or transferring the BroadcastManager System. Since the BroadcastManager System shall be located at Lancaster's government meeting facilities, Lancaster shall bear the risk of loss if the BroadcastManager System is damaged or destroyed by any act or occurrence of force majeure including, without limitation, fire, flood, earthquake, act of terrorism, war and like occurrence. Lancaster will provide insurance to cover the installed leased equipment for fire, theft, and earthquake.

2.6 *General.* Lancaster and GovTV agree to take reasonable steps to comply with all applicable local, state and federal laws and regulations applicable hereto.

### 3. Operation and Maintenance of the BroadcastManager System.

3.1 *Operation.* GovTV shall operate the BroadcastManager System as specified in the Proposal attached hereto as Exhibit A.

3.2 *Maintenance.* GovTV shall maintain the BroadcastManager System as specified in the Proposal attached hereto as Exhibit A.

### 4. Payment of Fees

4.1 Upon execution of this renewal agreement, GovTV shall begin monthly invoicing for professional meeting services. Lancaster shall pay GovTV's recurring monthly license fees and services fees as specified in the Proposal attached hereto as Exhibit A.

4.2 All invoices from GovTV to Lancaster shall be approved or rejected by Lancaster within ten (10) days after receipt of each such invoice by Lancaster. Lancaster agrees to pay all invoices from GovTV on Net 30 terms. Unless GovTV receives payment of such invoice within forty-five (45) days, GovTV shall have the right to suspend performance of its services hereunder.

4.3 GovTV shall send all invoices to:

Diane Dosh  
City of Lancaster  
44933 Fern Avenue  
Lancaster, CA 93534  
[ddosh@cityoflancasterca.org](mailto:ddosh@cityoflancasterca.org)  
Phone: (661) 723-6024  
Fax: (661) 723-6180

4.4 *Additional Products, Services and Fees.* During the period of this Agreement, Lancaster may request and the parties may agree that GovTV shall provide additional products or services that are not included in the Proposal attached hereto as Exhibit A. In that event, GovTV shall have no obligation to provide the additional products or services unless and until the parties shall mutually

agree upon additional compensation to GovTV for same and memorialize such agreement in writing.

5. Transmission of Content to Granicus' Media Center.

- 5.1 *Responsibility for Content.* Lancaster shall have sole control and responsibility over the determination of which data and information shall be included in the content that is to be transmitted to Granicus' media center, including, if applicable, the determination of which cameras and microphones shall be operational at any particular time and at any particular location. However, GovTV has the right (but not the obligation) to remove any content that GovTV believes violates any applicable law or this Agreement, provided however, that GovTV shall provide the City with an opportunity to demonstrate content's compliance with applicable laws or this agreement. "Content" as used herein shall mean any and all, documents, graphics, video, audio, images, sounds and other content that is streamed or otherwise transmitted or provided by, or on behalf of, Lancaster to GovTV.
- 5.2 *Restrictions.* Lancaster shall not provide GovTV with any content that: (i) infringes any third party's copyright, patent, trademark, trade secret or other proprietary rights; (ii) violates any law, statute, ordinance or regulation, including without limitation the laws and regulations governing export control and e-mail/spam; (iii) is defamatory or trade libelous; (iv) is pornographic or obscene, or promotes, solicits or comprises inappropriate, harassing, abusive, profane, defamatory, libelous, threatening, indecent, vulgar, or otherwise objectionable content or constitutes unlawful content or activity; (v) is harmful to minors; or (vi) contains any viruses, Trojan horses, worms, time bombs, or any other similar software, data, or programs that may damage, detrimentally interfere with, intercept, or expropriate any system, data, information, or property of another.
- 5.3 *Indemnification.* Lancaster agrees to indemnify, defend and hold harmless GovTV, its officers, directors and employees, from and against any losses, damages and expenses (including lawyers' fees) arising out of or relating to any third party claims made against GovTV based solely on the content of Lancaster's televised meetings, including, without limitation, any claims that Lancaster has copied, distributed or transmitted any image or file in violation of any third party's rights or has directly or indirectly exported or transmitted such content in violation of any applicable export restrictions.
- 5.4 Lancaster shall retain all right, title and interest in and to its trademarks, if any, including any goodwill associated therewith, subject to the limited license granted to GovTV pursuant to Section 6 hereof. All goodwill arising from use of Lancaster's trademarks is solely for Lancaster's benefit. Upon any termination of this Agreement, GovTV's right to use Lancaster's trademarks, if any, pursuant to this Section 6 terminates.
- 5.5 GovTV shall retain all right, title and interest in and to GovTV's trademarks, including any goodwill associated therewith, subject to the limited license granted to Lancaster pursuant to Section 6 hereof. Upon any termination of this Agreement, Lancaster's right to use GovTV's trademarks pursuant to this Section 5 terminates.
- 5.6 Each party grants to the other a non-exclusive, non-transferable (other than as provided in Section 8 hereof), limited license to use the other party's trademarks as is reasonably necessary to perform its obligations under this Agreement, provided that any promotional materials containing the other

party's trademarks shall be subject to the prior written approval of the trademark owner, which approval shall not be unreasonably withheld.

- 5.7 Neither party shall use the other party's trademarks in a manner that disparages the other party or its products or services, or portrays the other party or its products or services in a false, competitively adverse or poor light. Each party shall take commercially reasonable efforts to comply with the other party's requests as to the use of the other party's trademarks and shall avoid any action that diminishes the value of such trademarks.
- 5.8 The parties agree that subject to the prior written approval of Lancaster, which approval shall not be unreasonably withheld, GovTV shall have the right to mention the parties' relationship and to use Lancaster's trademarks, including its name and logo in marketing and promotional materials sent to GovTV's current and prospective customers, and to list Lancaster as a customer on websites belonging to GovTV and its industry affiliates ("GovTV's Websites"). Notwithstanding the foregoing, Lancaster agrees that upon execution of this Agreement for so long as this Agreement remains in effect, GovTV may list Lancaster as a customer on GovTV's Websites.
- 5.9 "Trademarks" shall mean all trademarks, trade names and logos of Lancaster listed on Exhibit D attached hereto, and any other trademarks, trade names and logos that Lancaster may specify in writing to GovTV from time to time.

## 6. Security Measures; Limitation of Liability.

- 6.1 *Security of Data.* GovTV will take commercially reasonable efforts to protect and control access to the audio and video signal and feed for Lancaster's televised government meetings.
- 6.2 *Warranty Disclaimer.* EXCEPT AS EXPRESSLY PROVIDED HEREIN, GOVTV'S SERVICES, HARDWARE, SOFTWARE AND DELIVERABLES ARE PROVIDED "AS IS" AND GOVTV EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND FITNESS FOR A PARTICULAR PURPOSE. GOVTV DOES NOT WARRANT THAT ACCESS TO OR USE OF ITS HARDWARE, SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. IN THE EVENT OF ANY INTERRUPTION, GOVTV'S SOLE OBLIGATION SHALL BE TO PROVIDE PROFESSIONAL SERVICES AND MAINTENANCE TO ENSURE SERVICES ARE PROVIDED TO LANCASTER. GOVTV WILL ADDRESS AND RESTORE ANY LOSS OF SERVICE CAUSED BY GOVTV WITHIN 24 HOURS.
- 6.3 *Limitation of Liabilities.* TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, GOVTV AND ITS SUPPLIERS AND LICENSORS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, WHETHER FORESEEABLE OR NOT, INCLUDING BUT NOT LIMITED TO: THOSE ARISING OUT OF ACCESS TO OR INABILITY TO ACCESS THE SERVICES, HARDWARE, SOFTWARE, CONTENT, OR RELATED TECHNICAL SUPPORT; DAMAGES OR COSTS RELATING TO THE LOSS OF: PROFITS OR REVENUES, GOODWILL, DATA (INCLUDING LOSS OF USE OR OF DATA, LOSS OR INACCURACY OR CORRUPTION OF DATA); OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IN THE EVENT OF THE FAILURE OF ANY EXCLUSIVE REMEDY. IN NO EVENT WILL GOVTV'S AND ITS SUPPLIERS' AND LICENSORS' LIABILITY EXCEED THE AMOUNTS PAID BY LANCASTER UNDER THIS AGREEMENT REGARDLESS OF THE FORM OF THE CLAIM (INCLUDING WITHOUT LIMITATION, ANY CONTRACT, PRODUCT LIABILITY, OR TORT CLAIM (INCLUDING

NEGLIGENCE), STATUTORY OR OTHERWISE); EXCEPT WHERE CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF GOVTV, ITS OFFICERS, EMPLOYEES, CONTRACTORS AND/OR CONSULTANTS.

7. Confidential Information and Ownership. Notwithstanding anything contained herein to the contrary, no provision of this section is intended to and no provision hereof shall prevent or hinder Lancaster from complying with the Public Records Act.

7.1 *Confidentiality Obligations.* To the extent that the provisions of this section do not hinder or prevent Lancaster from complying with the Public Records Act, Brown Act or any duly issued judicial or administrative order, each party agrees to (a) keep confidential any Confidential Information (as defined below); (b) use Confidential Information only for the purposes of performing this Agreement or as otherwise permitted under this Agreement, and (c) not disclose any Confidential Information to any third party without the written consent of all parties hereto. Each party hereto that receives Confidential Information from any other party hereto shall protect the Confidential Information using measures similar to those it takes to protect its own confidential and proprietary information of a similar nature. Each party agrees not to disclose the Confidential Information to any of its representatives except those who are required to have the Confidential Information in connection with this Agreement and then only if such representative is either subject to a written confidentiality agreement or otherwise subject to fiduciary obligations of confidentiality that cover the confidential treatment of the Confidential Information.

7.2 *Exceptions.* The obligations of this Section 7 shall not apply with respect to any particular portion of the Confidential Information if receiving party can prove by appropriate documentation that such Confidential Information (i) was known to the receiving party as shown by the receiving party's files at the time of disclosure thereof, (ii) was already in the public domain at the time of the disclosure thereof, or (iii) entered the public domain through no action of the receiving party subsequent to the time of the disclosure thereof.

7.3 "Confidential Information" as used herein shall mean all proprietary or confidential information disclosed or made available by the other party pursuant to this Agreement that is identified as confidential or proprietary at the time of disclosure. "Representatives" as used herein shall mean the officers, directors, employees, agents, attorneys, accountants, financial advisors and other representatives of a party.

8. Interlocal Arrangements.

8.1 Pursuant to any interlocal, intergovernmental, or other such cooperative agreement with Lancaster, GovTV will accept orders from, and will furnish The BroadcastManager System, GovTV's BroadcastManager Video Services (as more fully described in Exhibit A hereto), and Professional Services (*i.e.*, those services provided by GovTV to Lancaster that are not specified in Exhibit A), minus any specified professional discounts provided to Lancaster, to any governmental agency or other public entity authorized by Lancaster to use the Proposal attached hereto as Exhibit A, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules.

9. Term and Termination.

- 9.1 *Term.* The term of this Agreement shall commence on the effective date hereof and shall continue in full force and effect for three (3) years unless terminated early as provided herein. After the three year term, this agreement will be renewed with one (1) year renewals annually. The term can be extended beyond the initial term of three (3) years, with mutual consent of both parties.
- 9.2 *Termination.* This Agreement may be terminated, in whole or in part, pursuant to the following terms and conditions:
- (a) Lancaster may terminate this Agreement only for cause, such as GovTV's unexcused material breach of contract (see subsection (b) below). , Lancaster may also terminate this Agreement for convenience, upon giving sixty (60) days prior written notice to GovTV.
  - (b) Either party may terminate this Agreement if the other party materially breaches this Agreement and fails to cure such breach within thirty (30) days following receipt of written notice from the non-breaching party.
- 9.3 *Rights Upon Termination.* Upon any expiration or termination of this Agreement, and unless otherwise expressly provided in an exhibit to this Agreement:
- (a) Lancaster's right to access or use the BroadcastManager System shall terminate and GovTV has no further obligation to operate the BroadcastManager System for, and/or to provide any other services to, Lancaster; and
  - (b) Within thirty (30) days of termination, Lancaster shall grant GovTV access to the BroadcastManager System and shall permit GovTV to remove all components thereof.
- 9.4 *Obligations Upon Termination.* Upon any termination of this Agreement,
- (a) Lancaster shall remain responsible for any payments that have become due and owing up to the effective date of termination;
  - (b) the provisions of Sections 2.1, 2.4, 2.5 (for so long as the BroadcastManager System shall be located at Lancaster's facilities), 4.1, 4.2, 4.3, 4.4, 5, 6.2, 7.2, 8, 9.4, 10, and 11 hereof, and applicable provisions of the Exhibits intended to survive, shall survive termination of this Agreement and shall continue in full force and effect.
  - (c) Immediately upon receipt by GovTV of a notice by Lancaster of termination of this Agreement, GovTV shall cease all work under this Agreement, except such work as Lancaster may specify in the notice of termination. On or before thirty (30) business days following GovTV's receipt of Lancaster's notice of termination or thirty (30) business days following GovTV's completion of all work specified in Lancaster's notice of termination, whichever is later, GovTV shall deliver a final invoice to Lancaster for all work performed but not paid for, including any work specified in Lancaster's notice of termination.

## 10. Patent, Copyright and Trade Secret Infringement.

- 10.1 *Intellectual Property Indemnity.* GovTV will defend any suit brought by a third party against Lancaster to the extent based on a claim that the BroadcastManager System infringes any United States patent, copyright, trade secret or trademark, and GovTV will pay any final judgment

rendered on, or settlement agreed to in writing by GovTV with respect to, such claim. These obligations are contingent upon Lancaster promptly notifying GovTV in writing of any claims or threatened claims, GovTV having sole control over the defense and all negotiations for settlement of any such claim, and Lancaster giving all reasonable assistance to GovTV in the defense and settlement of the claim. GovTV will not be responsible for any settlement it does not approve in writing. THE FOREGOING IS IN LIEU OF ANY AND ALL WARRANTIES OF NONINFRINGEMENT, WHICH ARE HEREBY GENERALLY AND SPECIFICALLY DISCLAIMED.

## 11. Miscellaneous.

- 11.1 *Insurance Requirements.* GovTV understands and agrees to comply with the standards and requirements that Lancaster has set forth in the Insurance Requirements listed in Exhibit E. Lancaster will provide GovTV with fire, theft, and earthquake insurance coverage for all equipment components that reside on Lancaster's property.
- 11.2 *Export Restrictions.* The parties will comply with all applicable laws, rules and regulations, including export laws, in its performance under this Agreement. In particular, Lancaster acknowledges and agrees that the BroadcastManager System and other materials provided by GovTV are subject to regulation by U.S. Government agencies and other governmental authorities, and Lancaster agrees not to directly or indirectly export, re-export or import any such materials without first obtaining all required licenses and permissions.
- 11.3 *Assignment; Successors and Assigns.* Neither this Agreement nor any rights or obligations herein may be assigned by either party, by operation of law or otherwise, without the written consent of the other party; provided, however, that, without the consent of Lancaster, GovTV may assign this Agreement in connection with a merger, consolidation, assignment, sale or other disposition of the majority of Pacific Design & Integration, Inc.'s stock or substantially all of the assets or business relating to the portion of GovTV's operations that is the subject of this Agreement. This Agreement shall be binding on and inure to the benefit of the parties hereto and their heirs, legal representatives, successors and permitted assigns.
- 11.4 *Amendment and Waiver.* This Agreement may be amended, modified, waived or canceled only in writing signed by each of the parties hereto or, in the case of a waiver, by the party waiving compliance. Any failure by either party to strictly enforce any provision of this Agreement will not be a waiver of that provision or any further default.
- 11.5 *Governing Law.* The laws of the State of California shall govern the validity, construction, and performance of this Agreement, without regard to its conflict of law principles. Except for actions for injunctive relief relating to proprietary rights or enforcement or recognition of any award or order in any appropriate jurisdiction, actions relating to this Agreement shall be brought in the state or federal courts located in and serving Los Angeles County, California. Each of the parties irrevocably consents to the personal and exclusive jurisdiction of such courts for purposes of bringing any action arising out of or relating in any manner to this Agreement
- 11.6 *Construction and Severability.* Wherever possible, each provision of this Agreement shall be interpreted so that it is valid under applicable law. If any provision of this Agreement is held to be illegal or unenforceable, that provision will be reformed only to the extent necessary to make the provision legal and enforceable; all remaining provisions continue in full force and effect.

- 11.7 *Independent Contractors.* The parties are independent contractors, and no other relationship is intended by this Agreement.
- 11.8 *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same instrument.
- 11.9 *Entire Agreement.* This Agreement, including the Proposal attached as Exhibit A, and other applicable exhibits (which may include the Support Information attached as Exhibit B, the License Agreement attached as Exhibit C, the Trademark Information listed in Exhibit D, and the Insurance Requirements listed in Exhibit E), is the entire agreement of the parties and replaces any other understandings or agreements (whether oral or written) between the parties regarding the subject matter of this Agreement.
- 11.10 *Notices.* All notices and other communications required or permitted under this Agreement must be in writing and hand delivered or sent by registered first-class mail, postage prepaid or by overnight courier service. Such notices or other communications shall be effective upon receipt if hand delivered, and ten (10) business days after mailing (or, for overnight courier, the number indicated in the mailing instructions) if sent, in the case of the Lancaster, to the address set forth below and, in the case of GovTV, to its principal executive offices to the attention of the Chief Executive Officer, or at such other address for a party as may be specified by like notice.
- 11.11 *Force Majeure.* Neither party is responsible for any delay or failure in performance if caused by any event outside the reasonable control of the party, including without limitation acts of God, government regulations, shortage of supplies, act of war, act of terrorism, earthquake, or electrical, internet or telecommunications outage.

This Agreement consists of this Video Production System License and Video Services Agreement as well as the attached exhibits which are incorporated herein and made a part hereof, as follows:

- Exhibit A: Proposal
- Exhibit B: Support Information
- Exhibit C: License for The BroadcastManager System
- Exhibit D: Trademark Information
- Exhibit E: Insurance Requirements

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

**The City of Lancaster, California**

By: \_\_\_\_\_  
Jason Caudle, City Manager

**Pacific Design and Integration, Inc. d/b/a GovTV**

By: \_\_\_\_\_  
Bob Anderson, President/CEO

**ATTEST:**

By: \_\_\_\_\_  
Andrea Alexander, City Clerk

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Jocelyn Corbett, Asst. City Attorney

**DEPARTMENT HEAD APPROVAL:**

By: \_\_\_\_\_  
George Harris, Finance and Information  
Technology Director

## EXHIBIT A - PROPOSAL

This EXHIBIT A is entered into by GovTV and Lancaster, as an attachment to the VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT (the “Agreement”) between GovTV and Lancaster, for the license by GovTV to Lancaster of the hardware and software components of the BroadcastManager System (the “BroadcastManager System”). This exhibit is an additional part of the Agreement and is incorporated therein by reference. This exhibit does not change any term of the Agreement except to the extent it is contrary to the Agreement, in which case the terms of this Exhibit shall govern. Capitalized terms used but not defined in this exhibit have the meanings given in the Agreement. By signing the Agreement, the parties shall also agree to be bound by and shall be bound by all provisions set forth herein.

### EXECUTIVE OVERVIEW

GovTV’s services in connection with the BroadcastManager System include a license to use the BroadcastManager System and a related Video Services Agreement, to which this Exhibit is attached and incorporated.

Operation of the BroadcastManager System will enable Lancaster to televise its government meetings, with zero local staff effort, and significantly reduced cost.

The BroadcastManager System is an IP-based television production infrastructure that will be installed at Lancaster’s government meeting facilities and remotely operated by GovTV. This service is “fully managed” from equipment installation to production and operations. Lancaster’s government meetings will be televised by GovTV’s specialists---leaving Lancaster free to do what it does best - govern.

GovTV’s BroadcastManager Video Services include the installation of five (5) robotic cameras that will be installed and remotely operated during Lancaster’s government meetings. This service includes “live directing” to ensure any participant at a government meeting is shown “on-screen” in a timely manner. The professional video feed will be integrated with Granicus’ solution to provide live and on-demand Internet viewing of Lancaster’s government meetings.

### SERVICE DIFFERENTIATORS

- Zero local staff effort required to televise and support streaming and archiving of Lancaster’s government meetings.
- Seamless video feed integration with Granicus’ (or similar) solution.
- No cost to Lancaster during term of agreement for equipment repair or equipment replacement.
- Low profile installation can be completed quickly.

### COMPREHENSIVE SERVICE PLAN

GovTV’s BroadcastManager™ service includes Premium Care maintenance, repair and/or replacement coverage for all hardware and software components of the BroadcastManager System, as more fully described in the Scope of Work below.



# SCOPE OF WORK

## Overview

GovTV will deploy the BroadcastManager System to televise Lancaster's government meetings. The BroadcastManager System is an IP-controlled device that will enable GovTV to remotely create a professional quality video feed that will be seamlessly integrated with the Granicus live streaming and archive solution.

## SPECIFIC SERVICES PROVIDED

### Installed BroadcastManager System

#### Special Features of Services:

- Provides simple Emergency Broadcasting Operation by City staff.
- Installation includes five (5) video cameras in Lancaster's government meeting room.
- Installation includes video cabling from each camera location to the BroadcastManager System.
- Installation includes Integration of the BroadcastManager System with Granicus' (or similar) local encoder.

### Production

- Remotely televise all of Lancaster's meetings to create a broadcast feed to be distributed via Lancaster's channel, and a video feed to be streamed and distributed via Granicus, (or others) as directed by Lancaster.
- Remotely control all cameras to provide "live directing" to ensure the current Lancaster speaker/meeting participant is shown "on-screen" in a timely manner.
- On-screen graphics will be integrated during City Council Meetings broadcasts.

### Post Production

- **None at this time is desired by the City unless selected as an option.**

### GovTV Service

- Provide single point of contact with GovTV, for all issues related to A/V and A/V Granicus integration and operation.
- Premium Care service maintenance agreement level will provide equipment maintenance, repair and/or replacement/diagnosis, as needed, within 24 hours.

**Lancaster Will Provide:**

- Two (2) standard telephone connections for audio transmission. These connections shall be contained within an adjacent equipment closet.
- One (1) T-1 Internet Connection or faster (20 mbs minimum) independent of Lancaster's IT Network. This connection shall be located within an adjacent equipment room.
- One (1) Lancaster audio feed for each government meeting from Lancaster's audio system.
- Equipment rack space within an adjacent equipment room.

**ADDITIONAL SERVICES AVAILABLE UPON REQUEST BY CITY:**

- Provide A/V consulting as may be requested. \$125/Hr.
- Provide additional podium mounted "council viewing" monitor. \$500 equipment charge, plus \$2,500 installation charge.
- Provide integrated Granicus services of Scheduling Meetings, Uploading Agenda Document to Granicus Video Player, and Indexing Granicus Video to Agenda document to support website viewer viewing a selected portion of meeting content. \$150/Mtg.

**EXHIBIT B****SUPPORT INFORMATION**

This EXHIBIT B is entered into by GovTV and Lancaster, as an attachment to the VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT (the "Agreement") between GovTV and Lancaster, for the license by GovTV to Lancaster of the hardware and software components of the BroadcastManager System (the "BroadcastManager System"). This exhibit is an additional part of the Agreement and is incorporated therein by reference. This exhibit does not change any term of the Agreement except to the extent it is contrary to the Agreement, in which case the terms of this Exhibit shall govern. Capitalized terms used but not defined in this exhibit have the meanings given in the Agreement. By signing the Agreement, the parties shall also agree to be bound by and shall be bound by all provisions set forth herein.

1. *Contact Information.* The Lancaster may contact the support staff at GovTV at its mailing address, telephone numbers, and via e-mail or the Internet, as follows:  
GovTV  
10060 Carroll Canyon Road, San Diego, CA 92131  
(858) 349-5665  
[www.govtv.us](http://www.govtv.us)
2. *Support Policy.* When GovTV receives notification of an issue from Lancaster, a GovTV account manager or technical support engineer will respond directly to Lancaster via phone or e-mail with (a) an assessment of the issue, (b) an estimated time for resolution, and (c) will be actively working to resolve the issue as appropriate for the type of issue. Notification shall be the documented time that GovTV receives Lancaster's call or e-mail notifying GovTV of an issue or the documented time that GovTV notifies Lancaster there is an issue. GovTV reserves the right to modify its support and maintenance policies, as applicable to its customers and licensees generally, from time to time, upon reasonable notice.
3. *Scheduled Maintenance.* Maintenance to all systems will be scheduled before and after scheduled Lancaster's meetings. Scheduled maintenance of the BroadcastManager System shall not be counted as downtime. GovTV will clearly notify Lancaster that the BroadcastManager System is scheduled to be taken out of service for maintenance and the expected duration of the maintenance. GovTV will provide Lancaster with at least two (2) days prior notice for any scheduled maintenance. All system maintenance will only be performed during these times, except in the case of an emergency. In the case that emergency maintenance is required, Lancaster will be provided as much advance notice, if any, as possible under the circumstances.
4. *Future Enhancements or Modifications to the BroadcastManager System.* Lancaster may, from time to time, request that GovTV incorporate certain features, enhancements or modifications into the licensed the BroadcastManager System.
  - 4.1 *Statement of Work.* Upon The Lancaster's request for such enhancements/modifications, The Lancaster shall prepare a Statement of Work ("SOW") for the specific project that shall define in detail the Services to be performed. GovTV shall submit a cost proposal including all costs pertaining to furnishing Lancaster with the enhancements/modifications. Each such SOW signed by both parties is deemed incorporated in this exhibit by reference.

- 4.2 *Documentation.* After the SOW has been executed by each party, a detailed requirements and detailed design document shall be submitted illustrating the complete financial terms that govern the SOW, proposed project staffing, anticipated project schedule, and other information relevant to the project. Such enhancements or modifications shall become part of the licensed BroadcastManager System.
- 4.3 *Title to Modifications.* All such modifications or enhancements shall be the sole property of the GovTV.
- 4.4 *Limitation of Liability; Exclusive Remedy.* IN THE EVENT OF ANY INTERRUPTION, GOVTV'S SOLE OBLIGATION, AND LANCASTER'S EXCLUSIVE REMEDY, UNLESS OTHERWISE PROVIDED HEREIN, SHALL BE FOR GOVTV TO USE PROFESSIONAL SERVICES IN A TIMELY MANNER TO RESTORE ACCESS AS SOON AS REASONABLY POSSIBLE. GOVTV WILL RESPOND TO CITY IMMEDIATELY, AND SHALL REMEDY TECHNICAL ISSUES IN LESS THAN 24 HOURS. ANY OTHER POTENTIAL REMEDIES FOR AN INTERRUPTION ARE HEREBY EXPRESSLY AND IRREVOCABLY WAIVED; EXCEPT WHERE CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF GOVTV, ITS OFFICERS, EMPLOYEES, CONTRACTORS AND/OR CONSULTANTS.
- 4.5 *GovTV will provide the City a credit if a service outage is caused by GovTV.* Notwithstanding the foregoing, an hourly credit will be applied for each hour of any service outage that may occur as a direct result of GovTV. No credit will be applied if outage is caused by Lancaster's network or electric outage, or issues beyond GovTV's ability to control.

## EXHIBIT C

### License for The BroadcastManager System

This EXHIBIT C is entered into by GovTV and Lancaster, as an attachment to the VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT (the “Agreement”) between GovTV and Lancaster, for the license by GovTV to Lancaster of the hardware and software components of the BroadcastManager System (the “BroadcastManager System”). This exhibit is an additional part of the Agreement and is incorporated therein by reference. This exhibit does not change any term of the Agreement except to the extent it is contrary to the Agreement, in which case the terms of this Exhibit shall govern. Capitalized terms used but not defined in this exhibit have the meanings given in the Agreement. By signing the Agreement, the parties shall also agree to be bound by and shall be bound by all provisions set forth herein.

**Warranty.** GovTV shall repair or replace any hardware or software component of the BroadcastManager System provided directly from GovTV that fails to function properly due to normal wear and tear, defective workmanship, or defective materials.

- 1. Service Response Time.** For issues requiring service, repair or replacement of the BroadcastManager System, GovTV shall respond (via written or verbal acknowledgment) to the request made by Lancaster within twenty-four (24) hours. Service, repair or replacement of the BroadcastManager System will occur within twenty-four (24) hours of the request by Lancaster, not including the time it takes for any components to be shipped and delivered to Lancaster’s government meeting room. Lancaster shall grant GovTV or its Representatives access to the BroadcastManager System for the purpose of service, repair or replacement at reasonable times. GovTV shall use best efforts to keep Lancaster informed regarding the time frame and progress of such service, repairs or replacements.
- 2. DISCLAIMER OF WARRANTIES.** NOTWITHSTANDING THE MAINTENANCE PROVIDED UNDER SECTION 1 ABOVE, EXCEPT AS EXPRESSLY PROVIDED HEREIN, GOVTV’S SERVICES, HARDWARE, SOFTWARE AND DELIVERABLES ARE PROVIDED “AS IS” AND GOVTV EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND FITNESS FOR A PARTICULAR PURPOSE. GOVTV DOES NOT WARRANT THAT ACCESS TO OR USE OF ITS HARDWARE, SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. IN THE EVENT OF ANY INTERRUPTION, GOVTV’S SOLE OBLIGATION SHALL BE TO USE PROFESSIONAL EFFORT TO RESTORE ACCESS IN LESS THAN 24 HOURS.
- 3. LIMITATION OF LIABILITY.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, GOVTV AND ITS SUPPLIERS AND LICENSORS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, WHETHER FORESEEABLE OR NOT, INCLUDING BUT NOT LIMITED TO: THOSE ARISING OUT OF ACCESS TO OR INABILITY TO ACCESS THE SERVICES, HARDWARE, SOFTWARE, CONTENT, OR RELATED TECHNICAL SUPPORT; DAMAGES OR COSTS RELATING TO THE LOSS OF: PROFITS OR REVENUES, GOODWILL, DATA (INCLUDING LOSS OF USE OR OF DATA, LOSS OR INACCURACY OR CORRUPTION OF DATA); OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IN THE EVENT OF THE FAILURE OF ANY EXCLUSIVE REMEDY. IN NO EVENT WILL GOVTV’S AND ITS SUPPLIERS’ AND LICENSORS’ LIABILITY EXCEED THE AMOUNTS PAID BY LANCASTER UNDER THIS AGREEMENT REGARDLESS OF THE FORM OF THE CLAIM (INCLUDING WITHOUT LIMITATION, ANY CONTRACT,

PRODUCT LIABILITY, OR TORT CLAIM (INCLUDING NEGLIGENCE), STATUTORY OR OTHERWISE) EXCEPT WHERE CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF GOVTV, ITS OFFICERS, EMPLOYEES, CONTRACTORS AND/OR CONSULTANTS.

**EXHIBIT D****TRADEMARK INFORMATION**

This EXHIBIT D is entered into by GovTV and Lancaster, as an attachment to the VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT (the “Agreement”) between GovTV and Lancaster, for the license by GovTV to Lancaster of the hardware and software components of the BroadcastManager System (the “BroadcastManager System”). This exhibit is an additional part of the Agreement and is incorporated therein by reference. This exhibit does not change any term of the Agreement except to the extent it is contrary to the Agreement, in which case the terms of this Exhibit shall govern. Capitalized terms used but not defined in this exhibit have the meanings given in the Agreement. By signing the Agreement, the parties shall also agree to be bound by and shall be bound by all provisions set forth herein.

**LIST OF LANCASTER TRADEMARKS, TRADE NAMES, AND LOGOS:**

**[INSERT ANY TRADEMARKS, TRADE NAMES, AND LOGOS HERE]**

**EXHIBIT E****INSURANCE REQUIREMENTS**

This EXHIBIT E is entered into by GovTV and Lancaster, as an attachment to the VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT (the "Agreement") between GovTV and Lancaster, for the license by GovTV to Lancaster of the hardware and software components of the BroadcastManager System (the "BroadcastManager System"). This exhibit is an additional part of the Agreement and is incorporated therein by reference. This exhibit does not change any term of the Agreement except to the extent it is contrary to the Agreement, in which case the terms of this Exhibit shall govern. Capitalized terms used but not defined in this exhibit have the meanings given in the Agreement. By signing the Agreement, the parties shall also agree to be bound by and shall be bound by all provisions set forth herein.

- A. GovTV shall maintain the following insurance for the duration of this contract and name the City of Lancaster as an additional insured:

**Commercial General Liability**

Each Occurrence	\$1,000,000
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Per Project General Aggregate	\$2,000,000
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Including Products/Completed Operations; Contractual Liability/Independent Contractors;  
Property Damage

*(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)*

**Commercial Automobile Liability**

Combined Single Limit per Accident for

Bodily Injury and Property Damage	\$1,000,000
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*(Coverage shall be at least as broad as ISO form CA00 01)*

**Workers Compensation**

As Required by the State of California	Statutory Limits
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**Employers' Liability**

Each Accident	\$1,000,000
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Bodily Injury by Disease	\$1,000,000
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Each Employee	\$1,000,000
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*(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers' Liability policies)*

### **Professional Liability**

Each Occurrence	\$1,000,000
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General Aggregate	\$1,000,000
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***Provide one of the following for cyber-related services***

### **Technology Professional Liability**

*(Errors and Omissions)*

Each Occurrence	\$2,000,000
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General Aggregate	\$2,000,000
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*(Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by Consultant pursuant to this Agreement and shall include, without limitation, claims involving invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as any applicable regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.)*

***Or***

### **Cyber Liability Insurance**

Each Occurrence	\$2,000,000
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General Aggregate	\$2,000,000
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B. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

C. Professional liability and/or cyber insurance written on a “claims made” basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City’s option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant’s insurance and shall not contribute with it.

F. Consultant shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days’ prior written notice (10 days’ written notice for non-payment) to the City of Lancaster.

(2) List in the “Descriptions of Operations/Locations/Vehicles” section:

**“[Name of the Project/Services/Title & Date of Event]**

The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned.”

(3) List in the “Certificate Holder” section:

The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

**STAFF REPORT**  
**City of Lancaster**

CC 8
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Andrea Alexander, City Clerk

Subject: Amendment to Conflict of Interest Code List of Designated Employment Classifications

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**Recommendation:**

Adopt **Resolution No. 20-53**, rescinding Resolution No. 16-48 in its entirety and establishing the List of Designated Employment Classifications and the Disclosure Categories of the Conflict of Interest Code as provided in Section 2.40.030, Title 2, of the Lancaster Municipal Code.

**Fiscal Impact:**

None

**Background:**

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate or, alternatively, that the code must be amended. In reviewing the Code, it was determined that the List of Designated Employee Classifications should be amended.

A designated employee is an officer, employee, member or consultant of an agency whose position is designated in the Conflict of Interest Code because the position entails the making or participation in the making of governmental decision which may foreseeably have a material effect on any financial interest.

**Attachment:**

Resolution No. 20-53

RESOLUTION NO. 20-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA RESCINDING RESOLUTION NO. 16-48 IN ITS ENTIRETY AND ESTABLISHING THE LIST OF DESIGNATED EMPLOYMENT CLASSIFICATIONS AND THE DISCLOSURE CATEGORIES OF THE CONFLICT OF INTEREST CODE AS PROVIDED IN SECTION 2.40.030, TITLE 2, OF THE LANCASTER MUNICIPAL CODE

WHEREAS, the Political Reform Act requires each local government agency to periodically review its Conflict of Interest Code;

WHEREAS, the City Council of the City of Lancaster, (the "City Council"), previously adopted Resolution No. 16-48 on September 13, 2016, thereby amending the List of Designated Employee Classifications of the Conflict of Interest Code;

WHEREAS, Section 2.40.030 of the Municipal Code provides that the City Council shall adopt a List of Designated Employee Classifications by resolution which may be amended from time to time;

WHEREAS, the City Council has determined that it is necessary to revise the List of Designated Employee Classification and Disclosure Categories to reflect changes made by City Council action.

NOW, THEREFORE, the City Council of the City of Lancaster, California does hereby resolve as follows:

Section 1. The Disclosure Categories previously established pursuant to Section 2.40.040 of the Municipal Code are provided herein for ease of reference and read as follows:

"DISCLOSURE CATEGORIES"

A. Category 1. Persons in this category shall disclose all investments and business positions held in business entities, all interests in real property and all sources of income from sources located in or doing business in the City (Title 9, Chapter 7, Article 2 of the California Government Code. Section 87200 et seq).

B. Category 2. Persons in this category shall disclose all interests in real property within the City. Real property shall be deemed to be within the City if the property or any part of it is within or not more than two miles outside the boundaries of the City.

C. Category 3. Persons in this category shall disclose all income from,

business positions held and investments in business entities engaged in the acquisition or disposal of real property within the City.

D. Category 4. Persons in this category shall disclose all income from, business positions held and investments in business entities, which manufacture or sell goods, services, supplies, equipment or materials of the type utilized by the City.

E. Category 5. Persons in this category shall disclose all income from business positions held and investments in business entities engaged in the performance of building construction or design within the City.

F. Category 6. Persons in this category shall disclose all income from, business positions in and investments in business entities engaged in the performance of building or recreation construction or design within the City.

Section 2. The List of Designated Employee Classifications referred to in Section 2.40.030 of the Lancaster Municipal Code reads as follows:

DESIGNATED EMPLOYEE CLASSIFICATIONS

"Position; Disclosure Category"

Accountant; 1  
Administrative Assistant; 2, 3, 4, 5  
Analyst; 2, 3, 4, 5  
Assistant City Attorney; 1  
Assistant City Clerk; 1  
Assistant City Manager; 1  
Chief Building Official; 2, 3, 4, 5  
City Attorney; 1  
City Clerk; 1  
City Manager; 1  
Code Enforcement Officer I; 2, 3, 4, 5  
Code Enforcement Officer II; 2, 3, 4, 5  
\*Consultants; 1  
Coordinator I; 2, 3, 4, 5  
Coordinator II; 2, 3, 4, 5  
Coordinator III; 1  
Director; 1  
Engineer; 1  
Engineering Technician; 2, 3, 4, 5  
Executive Assistant; 2, 3, 4, 5  
Inspector; 2, 3, 4, 5  
IT Analyst I; 2, 3, 4, 5  
IT Analyst II; 2, 3, 4, 5  
IT Manager; 1  
Manager; 1  
Officer - Parking Enforcement ; 2, 3, 4, 5

Planner; 1  
Purchasing Agent; 1  
Senior Administrative Assistant; 2, 3, 4, 5  
Senior Engineering Technician; 2, 3, 4, 5  
Senior Analyst; 2, 3, 4, 5  
Senior Director; 1  
Senior Engineer; 1  
Senior Inspector; 2, 3, 4, 5  
Senior Manager; 1  
Senior Planner; 1  
Senior Specialist; 1  
Specialist I; 2, 3, 4, 5  
Specialist II; 2, 3, 4, 5  
Supervisor I ; 2, 3, 4, 5  
Supervisor II; 2, 3, 4, 5

\*With respect to Consultants, the City Manager, however, may determine in writing that a particular consultant, although a "designated person" is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Code. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. These written determinations shall remain on file in the same manner and location as this Conflict of Interest Code. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

Section 3. Resolution No. 16-48 is hereby repealed in its entirety.

PASSED, APPROVED and ADOPTED this 27<sup>th</sup> day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

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ANDREA ALEXANDER  
City Clerk  
City of Lancaster

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R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA     )  
COUNTY OF LOS ANGELES )     ss  
CITY OF LANCASTER     )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster,  
California, do hereby certify that this is a true and correct copy of the original Resolution  
No.20-53, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

# STAFF REPORT

## City of Lancaster

CC 9
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: **Approval of Multi-Year Professional Services Agreements**

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### **Recommendation:**

Approve Multi-Year Professional Services Agreements with each of the pre-qualified consulting firms on the attached list for each service category, and authorize the City Manager, or his designee, to execute all task orders.

### **Fiscal Impact:**

Varies by project; sources of funding: Capital Improvement Program and Operating Budget.

### **Background:**

In August 2020, the City advertised a Request for Qualifications (RFQ 727-20) for Multi-Year Traffic Engineering, Planning and Related Professional Services for the term of November 2020 to November 2022, from professional consulting firms to support the Capital Improvement Program and departmental operations. The RFQ included two (2) major service categories with a total of fourteen (14) subcategories for which professional service firms were being sought.

Firms that provide services in one or more of the major categories were encouraged to submit a Statement of Qualifications (SOQ) for each category for which they have experience, the necessary qualifications, and the workforce capacity to perform the work. The RFQ was listed on the City's website and the City's online bidding service.

Seven (7) firms submitted proposals on September 10, 2020. For each service category, a selection committee consisting of three staff members reviewed and assessed the submittals. Based on the total evaluation scores received, the attached short-list was created for each service category.

The listed firms are recommended to be pre-qualified service providers until November 2022. The Multi-Year Professional Services Agreements will permit City staff to issue Task Orders for individual projects. This process will expedite the completion of Council approved projects.

CVH/sr

**Attachments:**

List of Pre-Qualified Firms for RFQ 727-20

Sample Agreement

# List of Pre-Qualified Firms for RFQ 727-20

## Service Group Category 1 – Traffic Engineering

- Advantec Consulting Engineers
- Kimley-Horn and Associates, Inc.
- LSY Enterprise, Inc.

## Service Group Category 2 – Strategic Transportation Planning

- David Evans and Associates, Inc.
- Kimley-Horn and Associates, Inc.
- LSY Enterprise, Inc.
- Redman Consulting
- Stantec Consulting Service, Inc.
- Transtech Engineerings, Inc.

SAMPLE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

THIS AGREEMENT FOR CONSULTING SERVICES (this “AGREEMENT”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF LANCASTER, a municipal corporation and charter city (the “OWNER”), and \_\_\_\_\_, (the “CONSULTANT”).

RECITALS

WHEREAS, OWNER desires to engage CONSULTANT to perform certain technical and professional services, as provided herein, identified as:

**MULTI-YEAR TRAFFIC ENGINEERING, PLANNING,  
AND RELATED PROFESSIONAL SERVICES RFQ 727-20  
SERVICE GROUP CATEGORY – (To be filled in)**

WHEREAS, the principal members of CONSULTANT are qualified and duly registered/licensed under the laws of the State of California, and CONSULTANT desires to accept such engagement;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the AGREEMENT.**

The parties to this AGREEMENT are:

A. OWNER: City of Lancaster

B. CONSULTANT: (company name)

2. **Notices.** All written notices required by or related to this AGREEMENT shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this AGREEMENT shall refuse to accept such mail; parties to this AGREEMENT shall promptly inform the other party of any changes of address. All notices required by this AGREEMENT are effective on the day of receipt, unless otherwise indicated herein.

OWNER Development Services Director  
City of Lancaster  
44933 North Fern Avenue  
Lancaster, California 93534

CONSULTANT (Name, Title)  
(Company name)  
(address)

(city, state zip)

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Incorporation by Reference.** The Request for Qualifications – RFQ 727-20 Multi-Year Professional Services and CONSULTANT’S Proposal is hereby incorporated in and made a part of this AGREEMENT. CONSULTANT agrees to comply with all of the requirements set forth therein.

5. **Precedence of AGREEMENT Documents.** If there is a conflict between AGREEMENT documents, the document highest in precedence shall control. The precedence shall be:

- First: This AGREEMENT consisting of \_\_\_ pages
- Second: Request for Proposal – RFQ 727-20 Multi-Year Professional Services
- Third: The CONSULTANT’S Proposal

6. **Description of Work.** OWNER hereby engages CONSULTANT, and CONSULTANT accepts such engagement, to perform the technical and professional services from time to time as requested by Owner, in writing and accepted by consultant pursuant to a Task Order issued under this Agreement. CONSULTANT shall perform and complete, in a manner satisfactory to OWNER, all work and services set forth in each Task Order. The Development Services Director or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Development Services Director, or his designee.

7. **Obligations of the OWNER.**

A. The total compensation to be paid by OWNER to CONSULTANT for all work and services associated with each assignment shall be specified in the Task Order in accordance with the Rate Schedule described in Exhibit “A”.

B. No payment made hereunder by OWNER to CONSULTANT, other than the final payment, shall be construed as an acceptance by OWNER of any work or materials, nor as evidence of satisfactory performance by CONSULTANT of its obligations under this AGREEMENT.

8. **Obligations of the CONSULTANT.**

A. CONSULTANT shall perform as required by this AGREEMENT. CONSULTANT also warrants on behalf of itself and all subcontractors engaged for the performance of this AGREEMENT.

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

9. **Senate Bill 854.**

SB 854 bill signed into law on June 20, 2014, established a new public works contractor registration program to replace prior Compliance Monitoring Unit (CMU) and Labor Compliance Program (LCP) requirements for bond-funded and other specified public works projects. The Department of Industrial Relations (DIR) requires all contractors and subcontractors who bid or perform work on a public works project (as defined under the Labor Code) be subject to a registration and annual renewal fee. Contractors must apply online and meet minimum qualifications to be registered as eligible to bid and work on public works projects. The requirement to list only registered contractors and subcontractors on bids became effective on March 1, 2015. The requirement to only use registered contractors and subcontractors on public works projects applies to all projects awarded on or after April 1, 2015. **This project shall comply with the requirement of SB 854.**

Coverage is not limited only to work performed at the construction site by the traditional construction trades, but extends broadly to workers employed “in the execution of” the public works contract.

Survey and Geotechnical Services will only need to register if the scope of services provided would require the payment of prevailing wage and be considered to be covered under the *California Labor Code*. Even though survey and geotechnical services typically are viewed as consultants and generally do not necessarily fit the term “contractor,” compliance with section SB 854 will be required by the Department of Industrial Relations (“DIR”). Essentially, if the services provided by a survey or geotechnical services firm would be considered to be covered under the applicable *California Labor Code* sections, then they should register. It should be noted that only the firm needs to register and not individual licensed design professional(s).

Attention is directed to the revisions to Labor Code Section 4. 1725.5 and Section 5. 1771.1:

#### **A. SECTION 4 1725.5**

“A contractor (consultant) must be registered pursuant to this section in order to be qualified to bid on, be listed in a bid proposal pursuant to Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work that is subject to requirements of this chapter.

(a) To qualify for registration under this section, a contractor must do all of the following:

- (1) Beginning July 1, 2014, register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial non-refundable application fee of \$400 to qualify for registration under this section and an annual renewal fee on or before July 1<sup>st</sup> each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.
- (2) Provide such evidence, disclosures, or releases as are necessary to establish all of the following:
  - (A) Worker’s Compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker who the contractor will employ to perform work that is subject to prevailing wage requirements other than a contractor who, is separately registered under this section. Coverage may be

evidenced by a current and valid Certificate of Workers' Compensation Insurance or Certification of Self-Insurance required under Section 7125 of the Business and Professions Code.

(B) Where applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages, or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months, or since the effective date of the requirements set forth in subdivision (f), whichever is shorter. For a contractor found to be in violation of the requirements of this paragraph only, the period of disqualification shall be waived if: (i) the contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months; and (ii) the contractor pays an additional non-refundable penalty registration fee of \$2,000.

- (b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established pursuant to Section 1771.3 and shall be used only for the purposes specified in subdivision (b) of Section 1771.3
- (c) The term "contractor," as used in this section, shall include any subcontractor or "consultant", as defined in Section 1722.1.
- (d) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. A contractor who inadvertently fails to pay the renewal fee may retroactively renew its registration by paying an additional non-refundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the date of the renewal fee.
- (e) The requirements of this section shall not apply with respect to any contract, which as a result of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or decision by a court that classifies, after the time at which the body awarding the contract accepts the contractor's bid or awards the contractor a contract, the work covered by the bid or contract as a "public work," as defined in this chapter, to which Section 1771 applies, provided that:

- (1) The body awarding the contract failed to identify as a public work, in the bid specification or in the contract documents that portion of the work that the determination or decision classifies as a “public work.”
  - (2) Within twenty (20) days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.
  - (3) The requirements of this section shall apply prospectively only to any bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2) of this subdivision.
- (f) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work, as defined in this chapter, entered into on or after April 1, 2015.”

**B. SECTION 5 1771.1**

- (a) No contractor or subcontractor shall be qualified to bid on, be listed in a bid proposal pursuant to Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered to perform public work pursuant to Section 1725.5. It shall not be a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Sections 10164 or 20103.5 of the public work pursuant to Section 1725.5 at the time the contract is awarded.
- (b) Notice of this requirement shall be included in all bid invitations and public works contracts, and no bid shall be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor’s current eligibility to perform public work pursuant to Section 1725.5.
- (c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following requirements are met: (1) the subcontractor is registered prior to the bid opening; (2) within 24 hours after the bid opening the subcontractor is registered and has paid the penalty registration fee specified in paragraph (E) of subdivision (2) of Section 1725.5; or (3) the subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.
- (d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) of this Section shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is

registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

- (e) The DIR shall maintain on its website a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.
- (f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation. However, no contract for public work shall be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.
  - A. This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. **This project shall comply with the requirements of SB 854.**

#### 10. **Payment of Prevailing Wage.**

A. The State of California, Department of Industrial Relations, has ascertained the general prevailing rate of wages and employer payments for health and welfare, vacation, pension, and similar purposes applicable to the field work to be done, including mapping and surveying, geotechnical investigation, traffic control, and potholing services. These rates shall be the minimum wage rates for this project. These rates are on file with the City of Lancaster and copies will be made available to any interested party upon request.

Attention is directed to the provisions of Section 1777.5 (Chapter 1411, Statutes of 1968) and Section 1777.6 of the Labor Code concerning the employment of apprentices by the CONSULTANT or any subcontractor under him.

Section 1777.5, as amended, requires the CONSULTANT or subcontractor employing tradesmen in any apprenticeable occupation to apply to the joint apprenticeship committee nearest the site of the public works project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentices to journeymen that will be used in the performance of the contract. The ratio of apprentices to journeymen in such cases shall not be less than one to five except:

- (A) When unemployment in the area of coverage by the joint apprenticeship committee has exceeded an average of 15% in the 90 days prior to the request for certificate; or
- (B) When the number of apprentices in training in the area exceeds a ratio of one to five; or
- (C) When the trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis statewide or locally; or
- (D) When the CONSULTANT provides evidence that he employs registered apprentices on all of his contracts on an annual average of not less than one apprentice to eight journeymen.

The CONSULTANT is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other Contractors on the public works site are making such contributions.

The CONSULTANT and any subcontractor under them shall comply with the requirements of Section 1777.5 and Section 1777.6 in the employment of apprentices.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of CONSULTANT for personnel to perform any services under this AGREEMENT. OWNER shall have access to all documents, data and records of CONSULTANT and its subcontractors for purposes of determining compliance with the Prevailing Wage provisions of this Section.

11. **Audit.** OWNER shall have the option of inspecting and/or auditing all records and other written materials used by CONSULTANT in preparing its statements to OWNER as a condition precedent to any payment to CONSULTANT.

12. **Hold Harmless and Indemnification.** CONSULTANT agrees to indemnify and hold harmless the OWNER, its officers and employees, from and against any and all claims, losses, obligations, or liabilities whatsoever, including reasonable Attorney's fees, incurred in or in any manner arising out of or related to CONSULTANT'S negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. CONSULTANT agrees to defend OWNER, its officers and employees, from and against any and all claims arising from any alleged negligent or wrongful acts, errors or omissions on the part of CONSULTANT or on the part of its employees.

13. **Amendments.** Any amendment, modification, or variation from the terms of this AGREEMENT shall be in writing and shall be effective only upon mutual written approval by the Development Services Director and CONSULTANT.

14. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this AGREEMENT, CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. CONSULTANT will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, physical or mental disability 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.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of CONSULTANT for personnel to perform any services under this AGREEMENT. OWNER shall have access to all documents, data and records of CONSULTANT and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

15. **Termination for Convenience.** The governing board of the OWNER may terminate this AGREEMENT at any time without cause by giving fifteen (15) days written notice to CONSULTANT of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of OWNER, become the OWNER's property. If this AGREEMENT is terminated by OWNER as provided herein, CONSULTANT will be paid a total amount equal to its costs as of the termination date, plus ten percent (10%) of that amount for profit. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this AGREEMENT.

16. **Termination for Cause.**

A. The governing board of the OWNER may, by written notice to CONSULTANT, terminate the whole or any part of this AGREEMENT in any of the following circumstances:

(1) If CONSULTANT fails to perform the services required by this AGREEMENT within the time specified in each Task Order or any authorized extension thereof; or

(2) If CONSULTANT fails to perform the services called for by this AGREEMENT or so fails to make progress as to endanger performance of this AGREEMENT in accordance with its terms, and in either of these circumstances does not correct such failure within a period of ten (10) days (or such longer period that OWNER may authorize in writing) after receipt of notice from OWNER specifying such failure.

B. In the event OWNER terminates this AGREEMENT in whole or in part as provided above in paragraph A of this Section, OWNER may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

C. If this AGREEMENT is terminated as provided above in paragraph A, OWNER may require CONSULTANT to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, etc., prepared by CONSULTANT. Upon such termination, CONSULTANT shall be paid an amount equal to the contract amount, less the cost of hiring another CONSULTANT to complete CONSULTANT's services. In the event no new CONSULTANT is employed, 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 completed work and work in progress, complete and incomplete drawings, and other documents whether delivered to OWNER or in possession of CONSULTANT, and authorized reimbursement expenses.

D. If, after notice of termination of the AGREEMENT under the provisions of this Section, 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 15.

17. **Independent Contractor**. CONSULTANT is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of the OWNER. It is expressly understood between the parties to this AGREEMENT that no employee/employer relationship is intended; CONSULTANT is an independent contractor.

18. **Insurance**.

A. The CONSULTANT, at its expense, shall maintain in effect at all times during the term of this AGREEMENT the following coverage and limits of insurance, which shall be maintained with insurers listed "A-, VIII" or better in the Best's Key Rating Guide:

**Commercial General Liability**

Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000
Including Products/Completed Operations	
Including Contractual Liability/Independent Contractors	
Including Property Damage	
<i>(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)</i>	

**Commercial Automobile Liability**

Combined Single Limit per Accident for	
Bodily Injury and Property Damage	\$1,000,000
<i>(Coverage shall be at least as broad as ISO form CA00 01)</i>	

**Workers Compensation**

As Required by the State of California	Statutory Limits
--	------------------

**Employer's Liability**

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
<i>(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation &amp; Employers' Liability policies)</i>	

**Professional Liability**

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

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

C. Professional liability insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

F. Consultant shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

- (1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days prior written notice (10 days written notice for non-payment) to the City of Lancaster.
- (2) List in the "Descriptions of Operations/Locations/Vehicles" section:

**Multi-Year Professional Services RFQ# 727-20**

The City of Lancaster, its elected officials, officers, employees, and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

- (3) List in the "Certificate Holder" section:

The City of Lancaster  
44933 Fern Avenue  
Lancaster, California 93534

G. Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

19. **Commencement and Completion of Work.** The execution of this AGREEMENT by the parties does not constitute an authorization to proceed. The services of CONSULTANT shall commence when the OWNER, acting by and through its Development Services Director or his designee, has issued an executed Task Order for the work described therein.

CONSULTANT shall have no claim for compensation for any services or work which has not been authorized by the OWNER's Notice to Proceed.

20. **Extension of Time for Completion of Work.**

A. If, at any time, the work is delayed due to suspension order by OWNER, or due to any other cause which, in the reasonable opinion of the OWNER, is unforeseeable and beyond the control and not attributable to the fault or negligence of CONSULTANT, then CONSULTANT shall be entitled to an extension of time equal to said delay, subject to the OWNER's right to terminate this AGREEMENT pursuant to Section 15.

B. CONSULTANT shall submit to OWNER a written request for an extension of time within ten (10) days after commencement of such delay, and failure to do so shall constitute a waiver thereof. OWNER shall, in its sole discretion, determine whether and to what extent any extensions of time shall be permitted.

C. No extension of time requested or granted hereunder shall entitle CONSULTANT to additional compensation unless, as a consequence of such extension, additional work must be performed. In such event, OWNER shall in good faith consider any request for additional compensation submitted by CONSULTANT.

21. **Ownership of Documents.** All plans, specifications, reports, studies, tracings, maps and other documents prepared or obtained by CONSULTANT in the course of performing the work required by this AGREEMENT shall be the property of the OWNER. Basic survey notes, sketches, charts, computations and similar data prepared or obtained by CONSULTANT under this AGREEMENT shall, upon request, be made available to OWNER without restriction or limitation on their use.

22. **Data Provided to CONSULTANT.** OWNER shall provide to CONSULTANT, without charge, all data, including reports, records, maps and other information, now in the OWNER's possession which may facilitate the timely performance of the work described in each Task Order.

23. **CONSULTANT's Warranties and Representations.**

CONSULTANT warrants and represents to OWNER as follows:

A. CONSULTANT has not employed or retained any person or entity, other than a bona fide employee working exclusively for CONSULTANT, to solicit or obtain this AGREEMENT.

B. CONSULTANT has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for CONSULTANT, any fee, commission, percentage, gift, or any other

consideration contingent upon or resulting from the execution of this AGREEMENT. Upon any breach or violation of this warranty, OWNER shall have the right, in its sole discretion, to terminate this AGREEMENT without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. CONSULTANT has no knowledge that any officer or employee of the OWNER has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the CONSULTANT, and that if any such interest comes to the knowledge of CONSULTANT at any time, a complete written disclosure of such interest will be made to OWNER, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this AGREEMENT, CONSULTANT has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this AGREEMENT, nor shall any such interest be acquired during the term of this AGREEMENT.

24. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this AGREEMENT shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys' fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

25. **Exhibits.**

The following exhibits to which reference is made in this AGREEMENT are deemed incorporated herein in their entirety:

Exhibit "A" Rate Schedule

Exhibit "B" Term and Payment Clause

26. **Governing Law.**

This AGREEMENT shall be governed by the laws of the State of California.

27. **Effective Date.**

This AGREEMENT shall become effective as of the date set forth below on which the last of the parties, whether OWNER or CONSULTANT, executes said AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed and attested by their respective officers thereunto duly authorized.

“OWNER”  
CITY OF LANCASTER  
LANCASTER, CALIFORNIA

Approved By Department Head:

By: \_\_\_\_\_  
Jeff Hogan, Development Services Director

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Jason Caudle, City Manager

Dated: \_\_\_\_\_

"CONSULTANT"  
(COMPANY NAME)

By: \_\_\_\_\_  
(Name, Title)

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Andrea Alexander  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Allison E. Burns, Esq.  
City Attorney

EXHIBIT "A" OF APPENDIX "A"

RATE SHEET

The Consultant shall maintain separate costs for each project and shall identify the costs specific to each project.

Rates identified are for the life of the agreement, unless a rate adjustment is required for the payment of prevailing wages as determined by the State of California, Department of Industrial Relations.

**SEE ATTACHED**

EXHIBIT "B" OF APPENDIX "A"

TERM AND PAYMENT CLAUSE

Term

This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by the City and the CONSULTANT. This Agreement shall continue in full force and effect for a period not to exceed 2 years from the effective date of the Agreement (the "Term"), unless the Agreement is sooner terminated in accordance with the Terms and Conditions in the Agreement; provided, however, that the City and the CONSULTANT may mutually agree in writing to extend the Term of this Agreement.

Payment

The City of Lancaster shall reimburse the CONSULTANT for actual costs, including labor costs and employee benefits incurred by the CONSULTANT in performance of the work identified in a Task Order. Actual costs shall not exceed the estimated wage rates and other costs as set forth in this Agreement. Task Order proposal shall include a Fee Grid and source documentation supporting billed costs must be submitted with invoice. Each Task Order shall be invoiced separately, and invoices shall identify the purchase order. CONSULTANT shall provide a cost breakdown with hourly rates for each office and field function. Any additional work will require a separate Task Order Authorization for Consultant Services signed by both parties.

CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit, upon receipt by the City of itemized invoices. Invoices shall be submitted no later than forty-five (45) calendar days after the performance of work for which CONSULTANT is billing. Invoices shall detail the work performed on each milestone, on each project, as applicable. Invoices shall follow the format stipulated for the Cost Proposal and shall reference this contract number, task order number and project title. Final invoice must contain the final cost and all credits due City. The final invoice should be submitted within sixty (60) calendar days after completion of CONSULTANT's work.

Consultant shall not be reimbursed for actual travel expenses incurred in the performance of the work.

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(Name, Title)  
Company Name

**APPENDIX B**  
**INSURANCE REQUIREMENTS**

City of Lancaster  
**RFQ 727-20 MULTI-YEAR PROFESSIONAL SERVICES**  
 Consultant Insurance Requirements

The Consultant, at its expense, shall maintain in effect at all times during the term of this agreement the following coverage and limits of insurance, which shall be maintained with insurers listed "A-, VIII" or better in the Best's Key Rating Guide:

**Commercial General Liability**

Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000
Including Products/Completed Operations	
Including Contractual Liability/Independent Contractors	
Including Property Damage	
<i>(Coverage shall be at least as broad as ISO form CG2010 11/85 OR CG2010 07/04 AND CG2037 07/04, or an equivalent providing ongoing and completed operations)</i>	

**Commercial Automobile Liability**

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
<i>(Coverage shall be at least as broad as ISO form CA00 01)</i>	

**Workers Compensation**

As Required by the State of California	Statutory Limits
--	------------------

**Employer's Liability**

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
<i>(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers' Compensation &amp; Employer's Liability policies)</i>	

**Professional Liability**

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

- 1) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.
- 2) Professional Liability insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

- 3) Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- 4) All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.
- 5) Consultant shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of insurance shall meet the following requirements:

- A. Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

- B. List in the "Descriptions of Operations/Locations/Vehicles/Special Items" section:

**Multi-Year Professional Services RFQ 727-20**

The City of Lancaster, its elected officials, officers, employees, and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned.

- C. List in the "Certificate Holder" section:

The City of Lancaster  
44933 Fern Avenue  
Lancaster, California 93534

- 6) Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

CERTIFIED EVIDENCE OF INSURANCE

TO BE SUBMITTED BY CONSULTANT WITH PROPOSAL

I, \_\_\_\_\_, \_\_\_\_\_ of  
Name of Individual Certifying Insert Title, (e.g. sole owner, partner, president)

\_\_\_\_\_, do hereby certify that we maintain  
Consulting Company Name

or have the ability to obtain insurance coverage consistent with Consultant Insurance Requirements and Consultant Insurance Limits stated in *City of Lancaster Consultant Insurance Requirements*. I further understand that insurance documents must be submitted with signed consultant agreements, and if upon review by the City of Lancaster I fail to comply strictly with the insurance requirements, the consultant agreement will not be executed and another consultant will be chosen.

Signed: \_\_\_\_\_

\_\_\_\_\_  
PRINT NAME

\_\_\_\_\_  
Title

Subscribed and Sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Seal of Notary

Form EO1 1

**STAFF REPORT**  
**City of Lancaster**

CC 10
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Andrea Alexander, City Clerk

Subject: Consideration of adoption of Ordinance No. 1076, establishing speed limits on 32 roadway segments and amending Section 10.04.020 of Lancaster Municipal Code

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**Recommendation:**

Adopt **Ordinance No. 1076**, establishing speed limits on 32 roadway segments (12 roadway segments will have reduced speed limits/20 roadway segments will remain with the same speed limits) in the City of Lancaster, and adopt the Engineering and Traffic Survey (E&TS) study dated June 2020. The spot speed survey and analysis were conducted by the City’s on-call traffic engineering service firm, Interwest Consultant Group, in October and November 2019, under the supervision of a registered traffic engineer in the State of California.

**Fiscal Impact:**

None

**Background:**

The proposed ordinance is to adopt speed limits on the selected 32 roadway segments in the City of Lancaster, determined by an E&TS study. The study was performed in accordance with the provisions of the California Vehicle Code (CVC) Section 627 and as recommended by the California Department of Transportation Manual on Uniform Traffic Control Devices (MUTCD).Based on the engineering and traffic survey study for the 32 roadway segments, staff recommends speed limits to be decreased for 12 roadway segments, and re-establish the current speed limits for 20 roadway segments.

At the October 13, 2020 City Council meeting, the City Council approved the introduction of Ordinance 1076 by the following vote:

AYES: Council Members Dorris, Malhi, Mann, Vice Mayor Crist, Mayor Parris

NOES: None

ABSTAIN: None  
ABSENT: None

**Attachment:**  
Ordinance 1076

ORDINANCE NO. 1076

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ESTABLISHING SPEED LIMITS ON 32 ROADWAY SEGMENTS (12 ROADWAY SEGMENTS WILL HAVE REDUCED SPEED LIMITS/20 ROADWAY SEGMENTS WILL REMAIN WITH THE SAME SPEED LIMITS) IN THE CITY OF LANCASTER, AND ADOPT THE ENGINEERING AND TRAFFIC SURVEY (E&TS) STUDY DATED JUNE 2020. THE SPOT SPEED SURVEY AND ANALYSIS WERE CONDUCTED BY THE CITY'S ON-CALL TRAFFIC ENGINEERING SERVICE FIRM, INTERWEST CONSULTANT GROUP, IN OCTOBER AND NOVEMBER 2019, UNDER THE SUPERVISION OF A REGISTERED TRAFFIC ENGINEER IN THE STATE OF CALIFORNIA

WHEREAS, Sections 22357 and 22358 of the California Vehicle Code require that certain local speed limits be determined based upon engineering and traffic surveys; and,

WHEREAS, once established, speed limits shall not thereafter be revised except upon the basis of an engineering and traffic survey; and,

WHEREAS, speed limits shall be established by local ordinance; and,

WHEREAS, Section 40802 of the California Vehicle Code requires that the engineering and traffic surveys be conducted within five, seven or ten years, depending on certain qualifications, prior to the date of an alleged violation; and,

WHEREAS, enforcement of the speed limits involves the use of radar or other electronic devices that measure the speed of moving objects; and

WHEREAS, the City has conducted the engineering and traffic surveys, compiled in the Engineering and Traffic Survey Report dated June 2020, which is on file in the office of the City Clerk and incorporated herein by reference.

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Section 10.04.020 of the Lancaster Municipal Code is hereby amended by adding Line No. 9.

D. Speed Limits

9. The speed limits, as recommended in the Engineering and Traffic Survey Report dated June 2020, incorporated herein by reference, are hereby established.

Section 2. That the City Clerk shall certify to the passage of this Ordinance, and will see that it is published and posted in the manner required by law.

Section 3. This Ordinance shall become effective 30 days after its adoption.

I, Andrea Alexander, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 13<sup>th</sup> day of October, 2020, and placed upon its second reading and adoption at a regular meeting of the City Council on the 27<sup>th</sup> day of October, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )    ss  
CITY OF LANCASTER            )

CERTIFICATION OF ORDINANCE  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Ordinance No. 1076, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**STAFF REPORT**  
**City of Lancaster**

PH 1
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Lancaster Maintenance District Annexations

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**Recommendations:**

1. Adopt **Resolution No. 20-55**, initiating proceedings for the annexation of territories into the Lancaster Maintenance Districts.
2. Adopt **Resolution No. 20-56**, approving the engineer’s report, announcing the time and place for a public hearing, and declaring its intention to annex territories into the Lancaster Maintenance Districts, and to levy and collect assessments therein.
3. Adopt **Resolution No. 20-57**, announcing the results of an assessment ballot procedure, ordering the annexation of territory into the Lancaster Maintenance Districts, and ordering the levy and collection of assessments therein.

**Fiscal Impact:**

There is no impact to the City’s General Fund, as the properties within the annexations will be assessed, per Exhibit 1.

**Background:**

The Lancaster Maintenance Districts, separately known as the Lancaster Lighting Maintenance District, the Landscape Maintenance District and the Drainage Maintenance District (the “Districts”), were formed to provide a dedicated funding source for the maintenance, operations, servicing and installation of public lighting, public landscaping and public drainage facilities within the City of Lancaster. The District properties, which include the Annexations, benefit from the services provided and are assessed their proportionate share of the costs for each District.

Each property owner within the proposed annexations identified on Exhibits A-D, signed a waiver and petition, requesting annexation into the Districts. The petition also included an assessment ballot and notice of public hearing. The Assessment Ballots and Notices of Public Hearing have been mailed to each owner, as required by Law.

For Fiscal Year 2020-2021, the Lighting assessment is \$108.04 per lighting unit; the Landscaping assessment is \$118.42 per unit; and the Drainage Assessment is \$74.02 per unit. This includes the annual CPI factor for Los Angeles-Riverside-Orange Counties of 3.36%.

Staff recommends that the City Council conduct a public hearing, tabulate the returned ballots, and announce results.

RR/jr

**Attachments:**

Resolution No. 20-55

Resolution No. 20-56

Resolution No. 20-57

Exhibit 1 (Annexation Assessment)

Petitions to Annex and Declaration of Waiver

Exhibits A-D (Annexation Maps)

RESOLUTION NO. 20-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, INITIATING PROCEEDINGS FOR THE ANNEXATION OF TERRITORIES INTO THE LANCASTER MAINTENANCE DISTRICTS

WHEREAS, the City Council of the City of Lancaster desires to initiate proceedings to annex territory (the “Annexations”) into the City’s Maintenance Districts, specifically the City of Lancaster’s Lighting Maintenance District (“LLMD”), Landscape Maintenance District (“LMD”), and Drainage Maintenance District (“DMD”) (collectively, the “Districts”), and to levy and collect annual assessments therein, pursuant to the terms of the Landscape and Lighting Act of 1972, being Division 15, Part 2 of the Streets and Highways Code of the State of California (commencing with Section 22500) (the “1972 Act”); the Benefit Assessment Act of 1982, being Chapter 6.4, Part 1, Division 2 of the Government Code (the “1982 Act”); and the provisions of Section 53753 of the California Government Code, and Chapter 1, Article 4 of the Act, and the provisions of the California Constitution, Article XIII D (“Proposition 218”). Said Annexations are designated as SPR 18-05, DR 17-58, CUP 18-22 and ECR 19-05781; and,

WHEREAS, as a condition of development approval, the City has required that all new developments annex into the existing Districts for which their parcels will receive benefit, to provide funding for the street lighting, landscaping and/or drainage improvements as described below; and,

WHEREAS, in response to the City’s conditions of development approval, the owners of the Annexations have executed and returned a Petition to annex into the Districts. Said Petition includes a waiver of certain statutory requirements related to protest, report, resolutions and notice of hearing; and,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, AS FOLLOWS:**

Section 1. That the foregoing recitals are true and correct.

Section 2. That the City Council proposes to annex territory into the Districts, and to levy and collect annual assessments for the Annexations, to pay for the continued operation, maintenance and servicing of the street lighting, landscaping and/or drainage improvements, and appurtenant facilities related thereto; and,

Section 3. That the Annexations, as described in the Engineer’s Report, consist of the lots and parcels of land that will receive special benefit from the improvements and services provided, and are within the boundaries of the City. Location maps for the Annexations are included with the Staff Report accompanying this Resolution; and,

Section 4. The improvements for which the Annexations are proposed to be assessed generally include, but are not limited to: for the LLMD – street lighting, public parking lot lighting; for the LMD – landscaping, graffiti abatement, water and electrical power; for the DMD – catch basins, pipes, retention/detention basins, channels, parkway drains, spillways, streets and gutters. These improvements are more fully described in the corresponding Engineer’s Reports.

Section 5. The distinctive designation of each of the Annexations shall be Annexation No.'s SPR 18-05 (Avenue L and 6th Street East; southwest corner); DR 17-58 (290 West Avenue L; west of Sierra Highway); CUP 18-22 (Avenue J-8 and 20th Street West); and ECR 19-05781 (42nd Street West, and Avenue N).

Section 6. The City hereby directs the preparation and a written report (the "Engineer's Report"), and file it with the City Clerk pursuant to State Law.

PASSED, APPROVED, and ADOPTED this 27<sup>th</sup> day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, California,  
do hereby certify that this is a true and correct copy of the original Resolution No. 20-55, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_  
day of \_\_\_\_\_, 2020.

(seal)

\_\_\_\_\_

RESOLUTION NO. 20-56

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, APPROVING THE ENGINEER'S REPORT, ANNOUNCING THE TIME AND PLACE FOR A PUBLIC HEARING, AND DECLARING ITS INTENTION TO ANNEX TERRITORIES INTO THE LANCASTER MAINTENANCE DISTRICTS, AND TO LEVY AND COLLECT ASSESSMENTS THEREIN

WHEREAS, the City Council of the City of Lancaster has, by previous Resolution, initiated proceedings for the annexation of territory (the "Annexations") into the Lancaster Maintenance Districts, specifically the City of Lancaster's Lighting Maintenance District ("LLMD"), Landscape Maintenance District ("LMD"), and Drainage Maintenance District ("DMD") (collectively the "Districts"), and ordered the Assessment Engineer to prepare a report pursuant to the terms of the pursuant to the terms of the Landscape and Lighting Act of 1972, being Division 15, Part 2 of the Streets and Highways Code of the State of California (commencing with Section 22500) (the "1972 Act"); the Benefit Assessment Act of 1982, being Chapter 6.4, Part 1, Division 2 of the Government Code (the "1982 Act"); and the provisions of Section 53753 of the California Government Code, and Chapter 1, Article 4 of the Act and the provisions of the California Constitution Article XIID ("Proposition 218"); and,

WHEREAS, the Assessment Engineer (Harris & Associates) has previously prepared said report (the "Engineer's Report") and filed the same with the City Clerk, and said City Clerk has presented the Engineer's Report to this City Council for consideration; and,

WHEREAS, the projects to be annexed shall be identified as Annexation No.'s SPR 18-05, DR 17-58, CUP 18-22 and ECR 19-05781; and,

WHEREAS, the City Engineer has prepared diagrams showing the boundaries of the Annexations, and said diagrams are included as attachments to the Staff Report accompanying this Resolution; and,

WHEREAS, the Engineer's Report and diagrams have been filed with the City Clerk, and are open for public inspection and may be referred to for all details regarding the boundary of the Annexations; and,

WHEREAS, the Annexations shall be known as Annexation No.'s SPR 18-05 (Avenue L and 6th Street East; southwest corner); DR 17-58 (290 West Avenue L; west of Sierra Highway); CUP 18-22 (Avenue J-8 and 20th Street West); and ECR 19-05781 (42nd Street West, and Avenue N); and,

WHEREAS, the property owners of the real property proposed to be annexed have, by Petition, waived their right to all statutory protest, report, resolutions and notice of hearing; and,

WHEREAS, in addition to the Petition, the owners of the Annexations have also submitted signed and properly executed ballots for the Annexation of their properties. Copies of the ballots are on file in the Office of the City Clerk, and are also included as attachments to the Staff Report accompanying this Resolution; and,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, AS FOLLOWS:**

Section 1. That the foregoing recitals are true and correct.

Section 2. Said Engineer's Report, previously approved by this City Council, shall be filed in the Office of the City Clerk, and is hereby made part of this Resolution by reference.

Section 3. The associated diagrams are hereby approved and directed to be filed in the Office of the City Clerk.

Section 4. October 27, 2020, at 5:00 p.m. in the City Council Chambers, City of Lancaster, is hereby fixed as the time and place of the public hearing for approval of the Annexation No.'s SPR 18-05, DR 17-58, CUP 18-22 and ECR 19-05781 into the Districts.

Section 5. This City Council hereby declares its intention to annex territories into the Districts, to provide for the maintenance and servicing of District improvements. This City Council also declares its intention to levy and collect annual assessment to pay for all costs and expenses related to providing said services. The improvements and services are more particularly described in the Engineer's Reports on file with the City Clerk.

Section 6. The City Clerk is hereby directed to provide notice of said public hearing pursuant to State Law.

PASSED, APPROVED, and ADOPTED this 27<sup>th</sup> day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, California,  
do hereby certify that this is a true and correct copy of the original Resolution No. 20-56, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_  
day of \_\_\_\_\_, 2020.

(seal)

\_\_\_\_\_

RESOLUTION NO. 20-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ANNOUNCING THE RESULTS OF AN ASSESSMENT BALLOT PROCEDURE, ORDERING THE ANNEXATION OF TERRITORY INTO THE LANCASTER MAINTENANCE DISTRICTS, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS THEREIN

WHEREAS, the City Council of the City of Lancaster has, by previous Resolutions, initiated proceedings and declared its intention to annex territory (the “Annexations”) into the Lancaster Maintenance Districts, specifically the City of Lancaster’s Lighting Maintenance District (“LLMD”), Landscape Maintenance District (“LMD”), and Drainage Maintenance District (“DMD”) (collectively the “Districts”), and to levy and collect annual assessments pursuant to the terms of the Landscape and Lighting Act of 1972, being Division 15, Part 2 of the Streets and Highways Code of the State of California (commencing with Section 22500) (the “1972 Act”); the Benefit Assessment Act of 1982, being Chapter 6.4, Part 1, Division 2 of the Government Code (the “1982 Act”), and the provisions of Section 53753 of the California Government Code, and Chapter 1, Article 4 of the Act and the provisions of the California Constitution Article XIII D (“Proposition 218”);

WHEREAS, at this time all notice and Public Hearing requirements as required by Proposition 218 have been met relating to the levy of the Annexations and annual levy of assessments; and,

WHEREAS, the City Council has set Tuesday, October 27, 2020, as the time and place for the public hearing on the matter of the proposed Annexations and levy of annual assessments; and,

WHEREAS, the assessments are in compliance with all laws pertaining to the levy of District assessments; said assessments are levied without regard to property valuation and are in compliance with the provisions of Proposition 218 as the Annexations were approved by 100% of the property owners casting ballots at the time of the Annexations; and,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, AS FOLLOWS:**

Section 1. That the foregoing recitals are true and correct.

Section 2. This City Council hereby finds and determines that the procedures for the annexation of territory and levy of assessments therein have been undertaken in accordance with the 1982 Act and Proposition 218.

Section 3. The public hearing has been duly held and, after the tabulation of returned assessment ballots, it has been determined there are no majority protests, as defined in Proposition 218.

Section 4. The Annexations are hereby approved and confirmed.

Based upon the testimony and other evidence presented at the Public Hearing, the City Council hereby makes the following determinations regarding the proposed Annexations:

- The proportionate special benefit derived by each assessed parcel has been determined in relationship to the entirety of the cost of the operations, maintenance and servicing of the improvements.
- The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- Only special benefits have been assessed.

The assessments for the Annexations into the Districts, as contained in the Engineer's Reports for Fiscal Year 2020-2021, are hereby confirmed and are levied upon the assessable parcels within the Annexations in the amounts set forth therein, and as shown on the assessment ballots.

Section 5. The public interest and convenience requires and this legislative body does hereby order the maintenance work to be performed as said maintenance work is set forth in the Engineer's Reports.

Section 6. The above-referenced Reports shall be filed in the Office of the City Clerk, and shall remain open for public inspection.

Section 7. The County Auditor shall enter onto the County Assessment roll, opposite each assessable parcel, the amount assessed thereupon, as shown in the Reports.

Section 8. The assessments shall be collected at the same time and in the same manner as County taxes are collected, and all laws providing for the collection and enforcement of County Taxes shall apply to the collection and enforcement of the assessments.

Section 9. The assessments as above authorized and levied for these proceedings will provide revenue for District purposes related to the fiscal year commencing July 1, 2020, and ending June 30, 2021.

PASSED, APPROVED, and ADOPTED this 27<sup>th</sup> day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, California,  
do hereby certify that this is a true and correct copy of the original Resolution No. 20-57, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_  
day of \_\_\_\_\_, 2020.

(seal)

\_\_\_\_\_

**EXHIBIT 1**  
**CITY OF LANCASTER**  
**Maintenance District Annexations**

**DRAINAGE MAINTENANCE DISTRICT**

<b>Annexation No.'s</b>	<b>APN(s)</b>	<b>Project</b>	<b>Location</b>	<b>Developer</b>	<b>Calculated EDU's</b>	<b>Estimated 1st Year Assessment DMD</b>
19-33	3126-021-026	Site Plan Review 18-05	Ave. L & 6th St. East	Peter Biernat	12.999	\$930.90
19-34	3128-027-016	Director's Review 17-58	290 W. Ave. L	Valacal Co.	62.514	\$4,476.63
05-101	3129-017-047	Conditional Use Permit 18-22*	Ave. J-8 & 20th St. West	Lancaster 20th St. West, LLP	28.069	\$2,010.04
19-37	3111-002-052	Encroachment Conditional Permit 19-05781 (TPM 82327)	42nd St. West & Ave. N	Dennis & Kathleen Pursely	3.00	\$214.83

\*Initially conditioned to annex under CUP 04-10 with original, mother parcel. (PM 061937)

**LANCASTER LIGHTING MAINTENANCE DISTRICT**

<b>Annexation No.'s</b>	<b>APN(s)</b>	<b>Project</b>	<b>Location</b>	<b>Developer</b>	<b>Calculated EDU's</b>	<b>Estimated 1st Year Assessment LLMD</b>
978	3111-002-052	Encroachment Conditional Permit 19-05781 (TPM 82327)	42nd St. West & Ave. N	Dennis & Kathleen Pursely	3.00	\$313.59

**LANDSCAPE MAINTENANCE DISTRICT**

<b>Annexation No.'s</b>	<b>APN(s)</b>	<b>Project</b>	<b>Location</b>	<b>Developer</b>	<b>Calculated EDU's</b>	<b>Estimated 1st Year Assessment LMD</b>
435	3111-002-052	Encroachment Conditional Permit 19-05781 (TPM 82327)	42nd St. West & Ave. N	Dennis & Kathleen Pursely	3.00	\$343.71

**PETITION TO ANNEX AND DECALARATION OF WAIVER**

**CITY OF LANCASTER  
MAINTENANCE DISTRICTS  
(FAIRFIELD INN & SUITES)**

**Assessor Parcel Number(s):** 3129-017-047  
**Property Owner:** Lancaster 20<sup>th</sup> Street West, LLP  
**Mailing Address:** 15 Corporate Plaza Ste. 250 Newport Beach, CA 92600  
**Property Type:** Hotel  
**Parcel Acreage/Units:** 2.03 acres w/105 guest rooms

The undersigned hereby requests that the parcel(s) identified above be annexed into the City of Lancaster Assessment District(s) identified below. The execution of this waiver constitutes a public declaration of consent to waive resolutions, report and 45 day notice period for the proposed annexation into the District(s).

DISTRICT	Annexation Needed	Annexation Fee	1 <sup>st</sup> Year's Assessment	Proposed Total Assessment Fiscal Year 2020-21
Lancaster Landscape Maintenance District No. 1	No	\$0	\$0.00	\$0.00
Lancaster Lighting Maintenance District	No	\$0	\$836.24	\$836.24
Lancaster Drainage Benefit Assessment District	No	\$0	\$2,010.04	\$2,010.04
Total		<b>\$0.00</b>	<b>\$2,846.28</b>	<b>\$2,846.28</b>

The undersigned landowner does hereby waive the notice requirements of Proposition 218 (California Constitution Articles XIIC and XIID), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

**CERTIFICATE OF ENTITLEMENT**

***The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver and ballot.***

Please select and mark one box below and sign where indicated. This ballot and waiver will be void if not marked and signed.

The person completing and submitting this assessment ballot and waiver must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this form for and on behalf of the owner. Please see "Summary of Assessment Ballot Procedures" on the next page to assist in filling out the ballot and waiver. If there are two or more property owners, only one needs to sign and return the ballot.

**YES, I SUPPORT** the proposed annexation and authorize the assessment to be levied annually within the Districts indicated above. \*

**NO, I OPPOSE** the proposed annexation and do not authorize the assessment to be levied annually within the Districts indicated above. \*



***I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. (\* See next page)***

\_\_\_\_\_  
Signature of Property Owner/Legally Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

PETITION TO ANNEX AND DECALARATION OF WAIVER

CITY OF LANCASTER
MAINTENANCE DISTRICTS
(Warehouse)

Assessor Parcel Number(s): 3128-007-016
Property Owner: Valacal Co.
Mailing Address: P.O. Box 28606, Atlanta, GA 30358
Property Type: Warehouse
Parcel Acreage/Units: 4.64 acres

The undersigned hereby requests that the parcel(s) identified above be annexed into the City of Lancaster Assessment District(s) identified below. The execution of this waiver constitutes a public declaration of consent to waive resolutions, report and 45 day notice period for the proposed annexation into the District(s).

Table with 5 columns: DISTRICT, Annexation Needed, Annexation Fee, 1st Year's Assessment, Proposed Total Assessment Fiscal Year 2020-21. Rows include Lancaster Landscape Maintenance District No. 1, Lancaster Lighting Maintenance District, Lancaster Drainage Benefit Assessment District, and Total.

The undersigned landowner does hereby waive the notice requirements of Proposition 218 (California Constitution Articles XIIC and XIID), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

CERTIFICATE OF ENTITLEMENT

The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver and ballot.

Please select and mark one box below and sign where indicated. This ballot and waiver will be void if not marked and signed.

The person completing and submitting this assessment ballot and waiver must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this form for and on behalf of the owner. Please see "Summary of Assessment Ballot Procedures" on the next page to assist in filling out the ballot and waiver. If there are two or more property owners, only one needs to sign and return the ballot.

YES, I SUPPORT the proposed annexation and authorize the assessment to be levied annually within the Districts indicated above. \*

NO, I OPPOSE the proposed annexation and do not authorize the assessment\* to be levied annually within the Districts indicated above. \*

I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. (\* See next page)

Signature of Property Owner/Legally Authorized Representative

Printed Name

Date

**PETITION TO ANNEX AND DECALARATION OF WAIVER**

**CITY OF LANCASTER  
MAINTENANCE DISTRICTS  
(3 Single Family Lots – PM 82327)**

**Assessor Parcel Number(s):** 3111-002-052  
**Property Owner:** Dennis & Kathleen Pursley  
**Mailing Address:** P.O. Box 4735 Lancaster, CA 93539  
**Property Type:** 3 Single Family Lots  
**Parcel Acreage/Units:** 3 Units/2.53 acres

The undersigned hereby requests that the parcel(s) identified above be annexed into the City of Lancaster Assessment District(s) identified below. The execution of this waiver constitutes a public declaration of consent to waive resolutions, report and 45 day notice period for the proposed annexation into the District(s).

DISTRICT	Annexation Needed	Annexation Fee	1 <sup>st</sup> Year's Assessment	Proposed Total Assessment Fiscal Year 2020-21
Lancaster Landscape Maintenance District No. 1	Yes	\$1,523.00	\$343.71	\$1,866.71
Lancaster Lighting Maintenance District	Yes	\$1,523.00	\$313.59	\$1,836.59
Lancaster Drainage Benefit Assessment District	Yes	\$1,523.00	\$214.83	\$1,737.83
Total		<b>\$4,569.00</b>	<b>\$872.13</b>	<b>\$5,441.13</b>

The undersigned landowner does hereby waive the notice requirements of Proposition 218 (California Constitution Articles XIIC and XIID), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

**CERTIFICATE OF ENTITLEMENT**

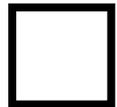
*The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver and ballot.*

Please select and mark one box below and sign where indicated. This ballot and waiver will be void if not marked and signed.

The person completing and submitting this assessment ballot and waiver must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this form for and on behalf of the owner. Please see "Summary of Assessment Ballot Procedures" on the next page to assist in filling out the ballot and waiver. If there are two or more property owners, only one needs to sign and return the ballot.

**YES, I SUPPORT** the proposed annexation and authorize the assessment to be levied annually within the Districts indicated above. \*

**NO, I OPPOSE** the proposed annexation and do not authorize the assessment to be levied annually within the Districts indicated above. \*



*I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. (\* See next page)*

Signature of Property Owner/Legally Authorized Representative

Printed Name

Date

**PETITION TO ANNEX AND DECALARATION OF WAIVER**

**CITY OF LANCASTER  
MAINTENANCE DISTRICTS  
GRA 19-03242 (SPR 18-05)**

**Assessor Parcel Number(s):** 3126-021-026  
**Property Owner:** Peter Biernat  
**Mailing Address:** 5170 Castle Road, La Canada, CA 91011  
**Property Type:** Warehousing  
**Parcel Acreage/Units:** 0.924 acres

The undersigned hereby requests that the parcel(s) identified above be annexed into the City of Lancaster Assessment District(s) identified below. The execution of this waiver constitutes a public declaration of consent to waive resolutions, report and 45 day notice period for the proposed annexation into the District(s).

DISTRICT	Annexation Needed	Annexation Fee	1 <sup>st</sup> Year's Assessment	Proposed Total Assessment Fiscal Year 2020-21
Lancaster Landscape Maintenance District No. 1	No	\$0.00	\$0.00	\$0.00
Lancaster Lighting Maintenance District	No	\$0.00	\$522.65	\$522.65
Lancaster Drainage Benefit Assessment District	Yes	\$1,523.00	\$930.90	\$2,453.90
Total		<b>\$1,523.00</b>	<b>\$1,453.55</b>	<b>\$2,976.55</b>

The undersigned landowner does hereby waive the notice requirements of Proposition 218 (California Constitution Articles XIIC and XIID), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

**CERTIFICATE OF ENTITLEMENT**

*The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver and ballot.*

Please select and mark one box below and sign where indicated. This ballot and waiver will be void if not marked and signed.

The person completing and submitting this assessment ballot and waiver must be the owner of the property identified above or the representative of the owner of such property who is legally authorized to complete and submit this form for and on behalf of the owner. Please see "Summary of Assessment Ballot Procedures" on the next page to assist in filling out the ballot and waiver. If there are two or more property owners, only one needs to sign and return the ballot.

**YES, I SUPPORT** the proposed annexation and authorize the assessment to be levied annually within the Districts indicated above. \*

**NO, I OPPOSE** the proposed annexation and do not authorize the assessment to be levied annually within the Districts indicated above. \*

*I hereby declare, under penalty of perjury under the laws of the State of California, that I am the owner, or the authorized representative of the owner, of the parcel identified above. (\* See next page)*

\_\_\_\_\_  
Signature of Property Owner/Legally Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**EXHIBIT A**  
**Annexations to Districts**  
**City Council Staff Report**



**EXHIBIT B**  
**Annexations to Districts**  
**City Council Staff Report**



**EXHIBIT C**  
**Annexations to Districts**  
**City Council Staff Report**



**EXHIBIT D**  
**Annexations to Districts**  
**City Council Staff Report**



# STAFF REPORT

## City of Lancaster

NB 1
10/27/20
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jason Caudle, City Manager

Subject: **Resolution Confirming the Continued Existence of a Local Emergency**

---

**Recommendation:**

Adopt **Resolution No. 20-54**, a resolution of the City Council of the City of Lancaster, California, confirming the continued existence of a local emergency in the City of Lancaster, California.

**Fiscal Impact:**

Staff will return to Council with future revenue, expense, or cost reimbursement appropriations recommendations.

**Background:**

On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization (“WHO”) declared the COVID-19 outbreak a public health emergency of international concern, and subsequently characterized COVID-19 as a pandemic. The United States Health and Human Services Secretary declared a public health emergency related to the COVID-19 outbreak on January 31, 2020. On March 4, 2020, the Governor of California declared a state of emergency related to the COVID-19 outbreak. The Los Angeles County Board of Supervisors and the Los Angeles County Department of Public Health declared a local and public health emergency related to the COVID-19 outbreak on March 4, 2020. The President of the United States declared a national emergency resulting from the COVID-19 outbreak on March 13, 2020.

On March 17, 2020, the City Council affirmed and ratified a Proclamation of the existence of a local emergency resulting from the COVID-19 pandemic.

The State and Los Angeles County Health Officers issued orders intended to help prevent the spread of COVID-19, including mandating people to stay home except as needed to perform essential services, ordering businesses deemed non-essential to close, and requiring the wearing of face masks. On May 26, July 14, and September 8, 2020, the City Council adopted Resolutions 20-17, 20-37, and 20-46, respectively, which confirmed the continued existence of a local emergency.

The number of COVID-19 cases in Los Angeles County has fluctuated in recent months. The national and local public health emergency resulting from the COVID-19 pandemic remains in effect, and the virus continues to pose a threat to the health and safety of residents in the City of Lancaster.

Staff recommends that City Council adopt **Resolution No. 20-54**, to again confirm the continued existence of the local emergency, as required by the California Emergency Services Act (the “Act,” set forth at Cal. Gov’t. Code §§8550-8668), and, in accordance with the Act, to regularly review the need for continuing the local emergency.

**Attachment:**

Resolution No. 20-54

RESOLUTION NO. 20-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, CONFIRMING THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY IN THE CITY OF LANCASTER, CALIFORNIA

WHEREAS, the California Emergency Services Act (Cal. Gov't. Code §§8550-8668) requires the governing body of a city to review the need for continuing a local emergency that has previously been declared; and

WHEREAS, on March 17, 2020, the Lancaster City Council ratified a proclamation declaring the existence of a local emergency resulting from the COVID-19 pandemic; and

WHEREAS, on May 26, 2020, the Lancaster City Council adopted Resolution No. 20-17, which confirmed the continued existence of a local emergency; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 20-37, which again confirmed the continued existence of a local emergency; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 20-46, which again confirmed the continued existence of a local emergency; and

WHEREAS, the national and local public health emergency resulting from the COVID-19 pandemic remains in effect; and

WHEREAS, the virus continues to pose a threat to the health and safety of residents in the City of Lancaster.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, THAT:

Section 1. The City Council of the City of Lancaster, California hereby finds and declares that the local emergency continues to exist, and shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of Lancaster, California.

PASSED, APPROVED AND ADOPTED this 27th day of October, 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_, City of Lancaster, CA. do hereby certify that this is a true and correct copy of the original Resolution No. 20-54, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_, day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**STAFF REPORT**  
**City of Lancaster**

NB 2
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Acceptance of Public Works Construction Project No. 20-012 Prime Desert Woodland Trails Project Phase III (HT-19-024)

---

**Recommendation:**

Accept the work constructed by Bowe Contractors, Inc., for Public Works Construction Project No. 20-012, Prime Desert Woodland Trails Project Phase III (HT-19-024), and direct the City Clerk to file the Notice of Completion for the project. Retention on this project shall be disbursed in accordance with California Public Contract Code.

**Fiscal Impact:**

\$447,634.43 (including 5% contingency) was awarded based on the original contract. There was one (1) Contract Change Order totaling \$8,543.00, which brought the total contract cost to \$417,775.50. Sufficient funds were available in Capital Improvements Budget Account Numbers 224-11GS011-924, 227-11GS011-924 and 349-11GS011-924. Associated annual maintenance costs are \$5,500.00.

**Background:**

On March 10, 2020, the City Council awarded Public Works Construction Project No. 20-012, Prime Desert Woodland Trails Project Phase III (HT-19-024). The City purchased a 20.3-acre parcel adjacent to the Prime Desert Woodland Preserve in 2017. In October 2018, staff applied for grant funds from the State of California's Habitat Conservation Fund Program to add trails on the newly acquired acreage. On September 10, 2019, Council accepted the grant award, appropriated grant funds and appropriated the required match. This is the third phase of the construction of decomposed granite trails for the Prime Desert Woodland Preserve. This project was designed to construct additional trails on the recently acquired northwest side of the preserve, extend existing trails, and construct trail bridges at the request of the Lancaster Parks, Recreation and Arts Department.

VR:gb

**Attachment:**  
Notice of Completion

**RECORDING REQUESTED BY:**

CITY OF LANCASTER

**WHEN RECORDED MAIL TO:**

CITY OF LANCASTER  
CITY CLERK DEPARTMENT  
44933 N. FERN AVENUE  
LANCASTER, CA 93534

**SPACE ABOVE THIS LINE FOR RECORDER'S USE**

This document is exempt from payment of a recording fee pursuant to government Code Section 6103 and 27383.

**NOTICE OF COMPLETION OF  
PUBLIC IMPROVEMENT AND WORK**

NOTICE IS HEREBY GIVEN:

1. The City of Lancaster, Los Angeles County, State of California, is the owner on file of a certain public improvement known as:

**Public Works Construction Project No. 20-012  
Prime Desert Woodland Trails Project Phase III (HT-19-024)**

2. The address of said owner is 44933 North Fern Avenue, Lancaster, California 93534.  
3. The location of said public improvement is as follows: PWCP 20-012 Prime Desert Woodland Trails Project Phase III (HT-19-024). See Exhibit 'A' attached hereto and made a part hereof.  
4. On March 10, 2020, a contract was entered into with Bowe Contractors, Inc., for the construction, installation, and completion of the above described public improvement and work, and filed for record in the office of the City Clerk of the City of Lancaster.  
5. The work was completed on July 17, 2020, by said company according to the plans and specifications and to the satisfaction of the Senior Director – Development Services, and was accepted by the City on October 27, 2020. That upon said contract The Guarantee Company of North America USA was surety for the bond given by the said company as required by law.

ATTEST:

DATED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

CITY OF LANCASTER

\_\_\_\_\_  
ANDREA ALEXANDER  
City Clerk  
City of Lancaster

BY: \_\_\_\_\_  
JEFF HOGAN  
Senior Director- Development Services

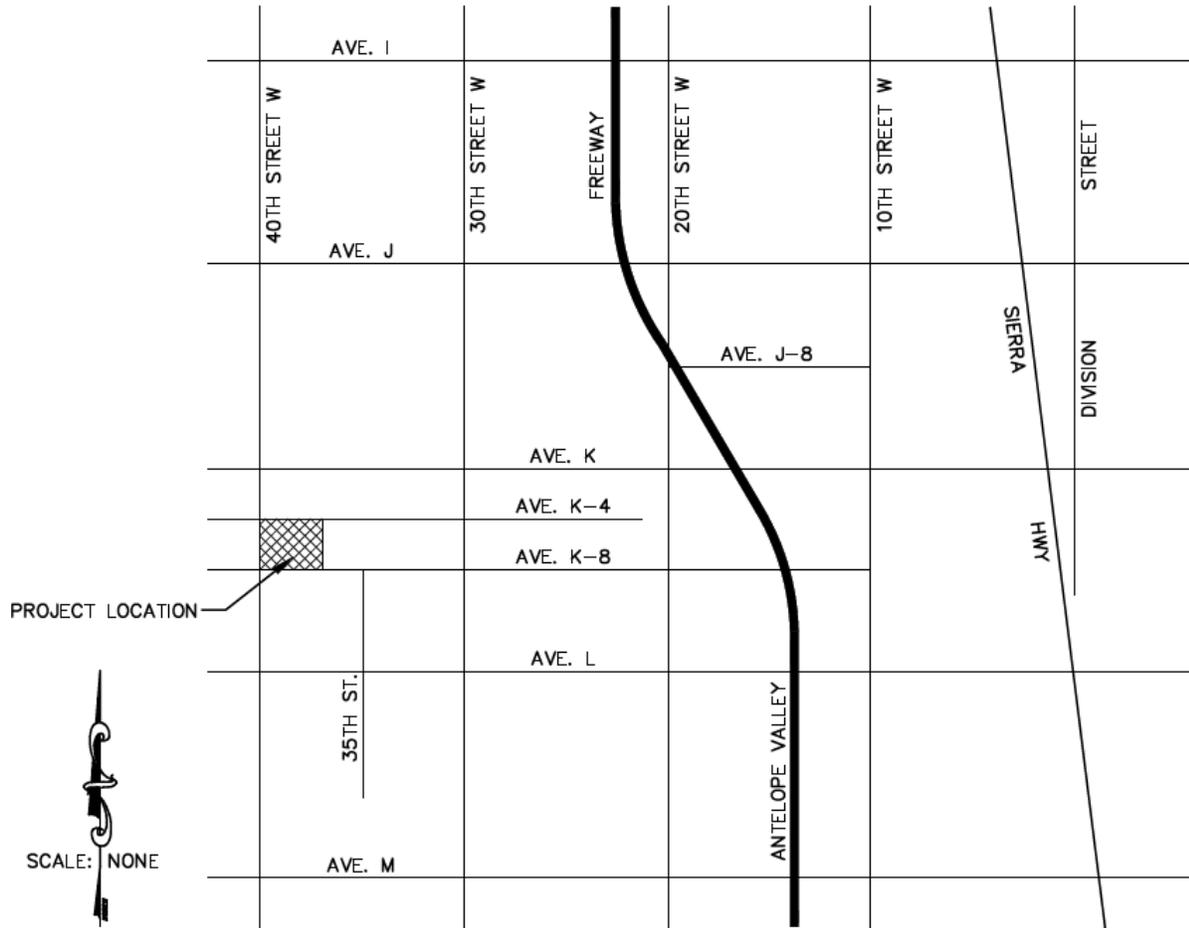
I certify (or declare) under penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE

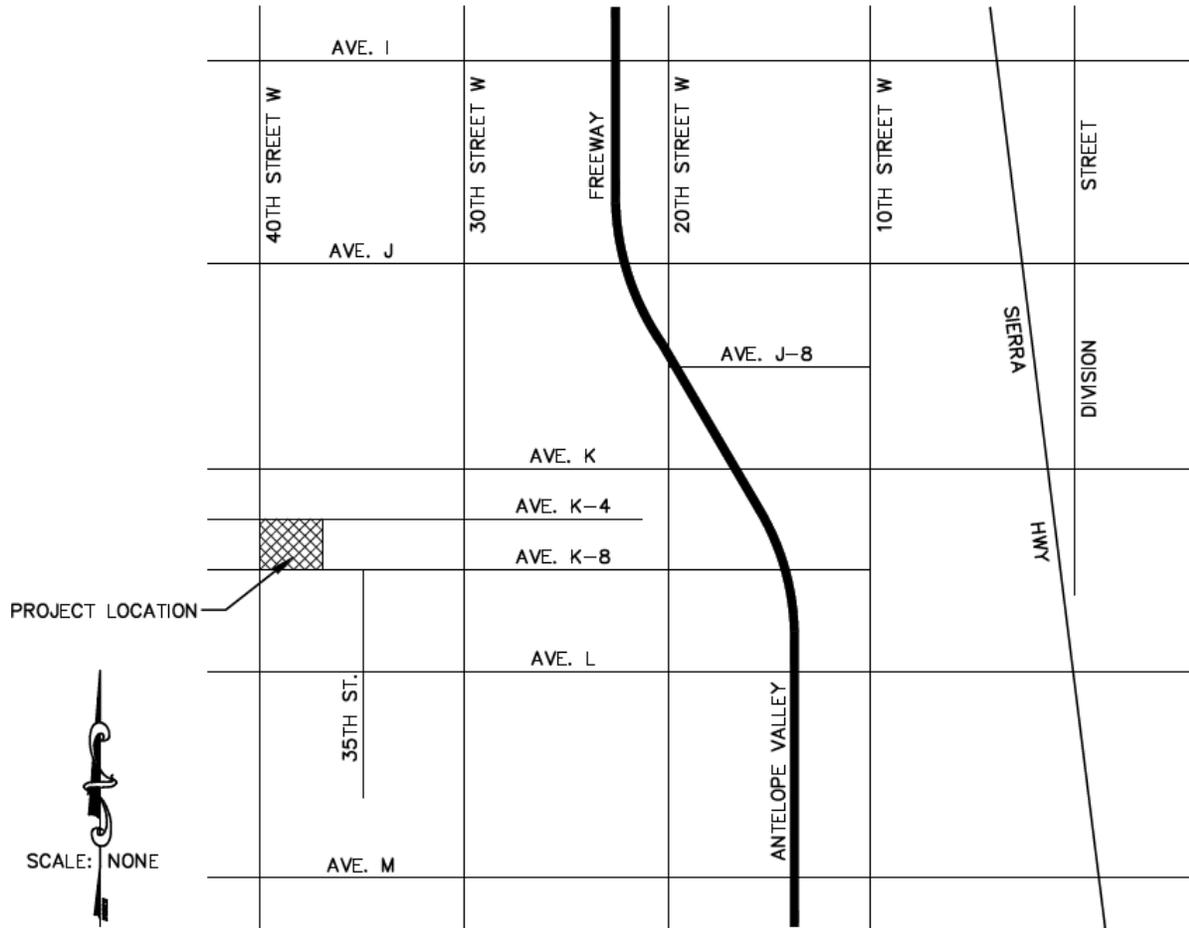
\_\_\_\_\_  
PLACE OF EXECUTION

**PWCP 20-012**  
**PRIME DESERT WOODLAND**  
**TRAILS PROEJCT PHASE III**  
**(HT-19-024)**



**VICINITY MAP**

**PWCP 20-012**  
**PRIME DESERT WOODLAND**  
**TRAILS PROEJCT PHASE III**  
**(HT-19-024)**



PROJECT LOCATION



**VICINITY MAP**

**STAFF REPORT**  
**City of Lancaster**

CR 1
10/27/2020
JC

Date: October 27, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: **Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority**

---

**Recommendation:**

Report of the proceedings and issues discussed at the September regular Board of Directors meeting of the Antelope Valley Transit Authority (AVTA).

**Fiscal Impact:**

None.

**Background:**

The Antelope Valley Transit Authority is a distinct government entity created under a joint powers authority agreement between the City of Lancaster, the City of Palmdale, and Los Angeles County that provides public transit services. Vice Mayor Marvin Crist serves as the Chairman, and Councilman Raj Mahli serves as a Director on behalf of the City of Lancaster.

**The following significant events took place at the regular September Board meeting:**

**Present:** Chairman Marvin Crist  
Vice Chair Dianne Knippel  
Director Rah Mahli  
Director Michelle Flanagan  
Director Steve Hofbauer  
Director Richard Loa

**Equal Employment Opportunity Program**

1) Approved AVTA's Equal Employment Opportunity (EEO) Program as required by the Federal Transit Administration (FTA); 2) Authorized the Executive Director/CEO to implement the procedures as set forth in the Program, in compliance with the Civil Rights Act of 1964 and under the provisions of FTA EEO Circular 4704.1A; and 3) Adopted Resolution No. 2020-009, adopting AVTA's EEO Program. Approved (6-0-0-0)

**Complementary Paratransit Service for Visitors Policy**

1) Approved the Complementary Paratransit Service for Visitors Policy; 2) Authorized the Executive Director/CEO to implement the procedures as set forth in the Policy, in compliance with the Americans with Disabilities Act and under the provisions of Title 49, Part 37.127; and 3) Adopted Resolution No. 2020-008, approving the Complementary Paratransit Service for Visitors Policy. Approved (6-0-0-0)

CVH/sr